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IN THE

Supreme Court of the United States

OCTOBER TERM, 1974

No. 74-584

MARY HELEN SEARS,
Petitioner,

v.

ROBERT GOTTSCHALK, Commissioner of Patents,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

EDWARD S. IRONS
1801 K Street, N.W.
Washington, D.C. 20006
296-8855

Attorney for Petitioner

WILSON - EPES PRINTING CO., INC. - RE 7-6002 - WASHINGTON, D. C. 20001

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Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

Petitioner prays that a Writ of Certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Fourth Circuit entered in this proceeding on August 14, 1974.

THE OPINIONS BELOW

The opinion of the Court of Appeals is reported at 502 F.2d 122 and is reproduced as Appendix A, *infra*, p. 1a. The opinion of the district court is reported at 357 F. Supp. 1327 (E.D.Va. 1973) and is reproduced as Appendix B, *infra*, p. 20a.

JURISDICTION

The opinion of the Court of Appeals for the Fourth Circuit was filed on August 14, 1974. A timely petition

for rehearing was denied on September 17, 1974, Appendix C., *infra*, p. 27a, and this petition for writ of certiorari was filed within 90 days of that date. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

QUESTIONS PRESENTED

1. Exemption 3 of the Freedom of Information Act provides for nondisclosure of "matters that are specifically exempted from disclosure by statute". The question is whether this exemption covers all material with respect to which Congress by statute has provided for nondisclosure upon various terms, including statutes that give government officials discretion to decide whether to disclose.[1]

(a) Specifically, is 35 U.S.C. § 122 a "statute" by which abandoned patent applications are "specifically exempted from disclosure" within the meaning of Exemption 3?

2. Does *Brown* v. *Guild*, 90 U.S. 181 (1874), which recognized that abandoned applications have "a bearing on the question of prior invention or discovery" and hence are properly included in the "whole of the evidence" germane to patent validity but held a particular abandoned application describing an abandoned experiment not *per se* dispositive of the validity issue, justify excluding abandoned applications from the evidence considered by the Patent Office in determining patentability under 35 U.S.C. §§ 102 and 103?

3. Are abandoned applications "necessary to carry out the provisions of any act of Congress" including 35 U.S.C. §§ 102 and 103 and hence disqualified from secrecy by the very terms of 35 U.S.C. § 122?

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[1] This question is identical with the single question in No. 74-450. *Robertson* v. *Butterfield*, filed October 18, 1974. It arises, however, in the context of an entirely different statute. The concurrent presentation of the two petitions affords an excellent opportunity for precise definition of the reach of exemption 3. See *infra*, p. 19.

4. Does the Constitution's requirement for strict adherence to the criteria for patentability now codified in Title 35 preclude the Patent Office from promulgating regulations by which abandoned applications are categorically excluded from (i) public availability and (ii) consideration as evidence germane to patentability? [2]

CONSTITUTIONAL PROVISIONS, STATUTES AND PATENT OFFICE RULES INVOLVED

This case involves the Patent Clause, Art. I, § 8, Cl. 8 and the Supremacy Clause, Art. VI, § 2, of the Constitution; the Fifth Amendment, 5 U.S.C. §§ 552(a)(3), (b)(3) and (c); and 35 U.S.C. §§ 6, 102(a) and (b), 103, 131 and 282 and Patent Office Rules 14 (37 C.F.R. 1.14) and 108 (37 C.F.R. 1.108).

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[2] As held in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966), and restated in *Anderson's-Black Rock* v. *Pavement Salvage Co.*, 396 U.S. 57 (1969), the patentability "*standard* expressed in the Constitution . . . may not be ignored. And it is in this light that patent validity 'requires reference to a standard written into the Constitution.' A.&P. Tea Co. v. Supermarket Corp., *supra*, 340 U.S. at 154 . . .". The constitutional patent clause "is both a grant of power and a limitation", a "qualified authority . . . limited to the promotion of advances in the 'useful arts' "; the "Congress in the exercise of the patent power may *not* overreach the restraints imposed by the stated constitutional purpose". *Only* "[w]ithin the scope established by the Constitution, Congress may set out conditions and tests for patentability". 383 U.S. at 5, 6. 35 U.S.C. § 103 "comports with the constitutional strictures", *id.* at 17, *only* if construed and applied in a manner to implement and not to denigrate the constitutional patentability standard. It is stipulated that "the constitutional standard for patentable invention . . . [is] now codified in 35 U.S.C. § 103". C.A. App. I.*; p. 42, Par. 23.

See generally "The Consitutional Standard of Invention—The Touchstone for Patent Reform," 1973 Utah L. Rev. 653.

* The Appendix in the Court of Appeals, a copy of which has been lodged with the Clerk, is in two volumes cited as "App. I" and "App. II"

5 U.S.C. §§ 552(b)(3) and (c) and 35 U.S.C. § 122 are reproduced below. The remaining provisions appear in Appendix D, *infra*, p. 28a.

5 U.S.C. § 552(b)(3)

> "(b) This section does not apply to matters that are —
>
> * * * *
>
> (3) specifically exempted from disclosure by statute;"

5 U.S.C. § 552(c)

> "(c) This section [552] does not authorize withholding of information or limit the availability of records to the public, except as specifically stated in this section. . . ."

35 U.S.C. § 122

> "Applications for patents shall be kept in confidence by the Patent Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner."

STATEMENT OF THE CASE

Petitioner, an experienced patent lawyer, invoked the Freedom of Information Act (FOIA) to obtain access to the files of abandoned patent applications maintained in secrecy at the Patent Office.[3] The Patent Commis-

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[3] It is stipulated that

> "4. For the purpose of this case the expression 'abandoned United States patent applications' means all documents in the Patent Office files of all existing applications for United States letters patent, prosecution of which terminated without the issuance of a patent thereon (Complaint Par. 6).
>
> "6. . . . If the application becomes abandoned, it is the entire record contained in the file wrapper which is forwarded to the

sioner refused petitioner's request on the stated ground "that access is barred under 35 U.S.C. § 122" and "that, therefore, the provisions of 5 U.S.C. § 552(a)(3) did not apply in view of the exemption afforded by 5 U.S.C. § 552(b)(3)".[4]

Abandoned patent applications, which first assumed importance with the 1836 establishment of the Patent Office,[5] were initially made freely accessible to the public and were applied by the Patent Office as evidence germane to determining patentability of the claims presented in cases pending before it. They were equally utilized by the courts as evidence germane to patent validity, in the same manner in which the courts still apply them.[6]

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abandoned files. Thus, the term 'abandoned application' has reference to the entire contents of the file wrapper, and not merely to the original applications papers, as filed." (C.A. App. I, p. 34.)

[4] Petitioner's request was denied by the Patent Office and the district court on the additional ground that it was not for "identifiable records" within the meaning of § 552(a)(3). The court of appeals rejected this contention.

The Commissioner also stated that "in reliance upon" § 122 "inventors make full disclosures of their inventions with the assurance that valuable trade secrets therein will be disclosed only at the inventor's option". In the district court, the agency claimed, and the district court sustained, exemption on "trade secret" grounds under § 552(b)(4). The court of appeals did not reach the §(b)(4) issue, and it is not discussed herein.

The agency refusal of petitioner's request is Exhibit A of the FOIA complaint in this action, C.A. App. I, p. 13, 21.

[5] During most of the patent system's prior existence—*i.e.*, from 1793 to 1836—all patent applications were automatically issued and published with questions of patentability consigned to the courts for post-publication determination.

[6] See, e.g., from this Court *Brown* v. *Davis*, 116 U.S. 237 (1886); *Yale Lock Mfg. Co.* v. *Greenleaf*, 117 U.S. 554 (1866); *Altoona Publix Theatres* v. *American Tri-Ergon Corp.*, 294 U.S. 477 (1935); *Stelos Co.* v. *Hosiery Motor-Mend Corp.*, 295 U.S. 237, 242 (1935); *Smith* v. *Hall*, 301 U.S. 216 (1937), holding that an unpublished abandoned patent application "is competent and cogent evidence

In 1874, this Court in *Brown* v. *Guild*, 90 U.S. 181, specifically acknowledged that abandoned applications have "a bearing on the question of invention or discovery" and hence are properly included in the "whole of the evidence" germane to patent validity. It determined, however, that the particular abandoned application before it described a "mere experiment" instead of a completed invention and hence that it did not *per se* establish the defense of prior public use or prior invention by another under the then extant predecessor of 35 U.S.C. § 102.

The Patent Office eventually seized upon *Brown* as an excuse to discontinue absolutely the citation of abandoned applications as evidence of unpatentability[7] and hence to expediently restrict the practice of routinely laying the files of such applications freely open to the public for

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to determine the nature and state of the invention which the inventor claims to have embodied in workable form", 301 U.S. at 227; and from the lower federal courts *Package Devices, Inc.* v. *Sun Ray Drug Co.*, 301 F.Supp. 768 (E.D.Pa. 1969), aff'd 432 F.2d 272 (3 Cir. 1970). See, e.g., *James B. Clow & Sons, Inc.* v. *United States Pipe & Foundry Co.*, 313 F.2d 46 (5 Cir. 1963); *Carrier Mfg. Co.* v. *Rex Chainbelt, Inc.*, 281 F.Supp. 717 (E.D.Wis. 1968).

[7] Even the Patent Office recognized, *at the time Brown* v. *Guild was decided in 1874*, that it was not "controlling" but held only that *prima facie* prior invention as evidenced by an abandoned patent application, like any other form of *prima facie* evidence, can be rebutted. It was not until December of 1879 that the agency invoked *Brown* v. *Guild* as a pretext for discontinuing as *inconvenient* the consideration of abandoned applications in the examination of pending cases.

As late as May 1879, five years after *Brown* v. *Guild*, Patent Office Rule 171 stated:

> ". . . Abandoned and forfeited applications will be cited as references in all cases where no earlier reference can be found, and they will be considered *prima facie* evidence of prior invention of the novel and patentable matters *clearly* set forth and shown therein."

On December 1, 1879 Rule 171 was amended to state in part, "[f]orfeited and abandoned applications will not be cited as references".

inspection in the Patent Office. As stipulated in the district court, "It is convenient for the Patent Office not to maintain all abandoned applications available for public inspection" (C.A. App. I, 44).[8]

This Court, in 1926, criticized this Patent Office practice and strongly implied that abandoned applications are competent and even necessary evidence on the issue of prior inventorship, but did not rule upon its legitimacy

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[8] As noted in Doerfer, "The Limits on Trade Secret Law Imposed by Federal Patent and Antitrust Supremacy", 80 Harv. L. Rev. 1432, 1446, n. 94 (1967):

> "The Patent Office did lay open to public inspection all applications after final action until 1876, after the decision in The Cornplanter Case, 90 U.S. (23 Wall.) 181 (1875), ... Certain features of the prior [abandoned] application represented no more than an abandoned experiment, and hence not a true anticipation. The Court was not apprised of the Patent Office practice of laying abandoned applications open to the public and hence did not base its decision on the grounds of prior disclosure in a printed publication. The Office, however, took the decision as a disapproval of its practice, and discontinued it. Orenbuch, Abandoned Applications as Prior Art, 45 J. Pat. Off. Soc'y 613 (1963)."

Importantly, however, the Patent Office did *not* relegate abandoned patent applications to the "secret" category but adopted a rule which in substance remained in effect until 1949 pursuant to which copies of such applications were furnished on request, in contrast to pending applications which were at all times expressly classified as "secret" in a separate rule.

As late as 1954, the Patent Office recognized the pre-1949 dichotomy by which the "rule of secrecy" applied *only* to pending and not to abandoned applications. See "Plaintiff's Exhibit III", C.A. App. I, 57.

The apposite Rules of 1879 provided in pertinent part:

> "15. Caveats and *pending* applications are preserved in secrecy . . ."
>
> "171. . . . Certified copies of the files in cases of . . . abandoned applications may be furnished to applicants or to other persons when ordered, but no inspection of such files [in the Patent Office] except by applicants or their duly authorized agents will be permitted."

because the issue was not presented. See *Alexander Milburn Co.* v. *Davis-Bournonville Co.*, 270 U.S. 390.[9]

There are some 600,000 abandoned patent applications which contain evidence germane to patentability—none of which is now considered by the Patent Office in the dis-

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[9] In *Milburn* the losing party urged that by analogy to this Patent Office practice only issued patents could be considered as evidence of prior inventorship to defeat a patent. As the Court expressed it, ". . . since the decision in the case of The Corn-Planter Patent (Brown v. Guild) . . . it is said, at all events for many years, the Patent Office has made no search among abandoned patent applications. . . ." 270 U.S. at 400.

This Court characterized such agency "disregard of abandoned patent applications, however explained . . . [a]s an empirical rule, no doubt convenient . . . if not necessary to the Patent Office", 270 U.S. at 402. Saying further that "we are not disposed to disturb it, although we infer that originally the practice of the Office was different", the Court cautioned that the agency practice "cannot be taken to establish a principle beyond the rule as actually applied", but must bow to "[t]he fundamental rule . . . that the patentee must be the first inventor" application of which is not prevented by "qualifications in aid of a wish . . . to avoid laborious investigations." (270 U.S. 402). Under that fundamental rule, now codified in 35 U.S.C. 102(e), United States patent applications are competent evidence of prior inventorship by another as of their filing dates. See *Hazeltine* v. *Brenner*, 382 U.S. 252 (1965).

The Court's disinclination to disturb the criticized Patent Office practice is, of course, attributable to the fact that the practice was *not per se* in issue. Further, the Court's characterization of the Patent Office practice in *Milburn* as "convenient" and "in aid of a wish to avoid . . . laborious investigation" is fairly attributable to concern expressed in the brief *amicus curiae* of ex-Commissioner Ewing that the resumption of the *prior* practice of considering abandoned applications as references would be burdensome for the agency. Mr. Ewing's acknowledgement that abandoned applications contain "anticipatory material which would vastly increase the uncertainty . . . as to the validity of any patent" is strikingly analogous to agency acknowledgement *in this case* that "At least some abandoned United States applications are evidence of the level of skill in the art to which they pertain as of their filing dates" (C.A. App. I, p. 35; par. 12). Contrast these admissions with the requirements of §§ 102 and 103 and the *Milburn* "fundamental rule" which make no exception for abandoned applications.

charge of its duties under 35 U.S.C. 131.[10] But for the "secrecy" now imposed by the agency under 37 CFR 1.108 and 1.14 on the presumed authority of § 122,[11] enacted in 1952, all of this evidence necessarily would be considered in evaluating later filed applications against the controlling patentability standards imposed by the Constitution and the patent laws. As the agency itself puts it, ". . . non-reliance by the Patent Office upon abandoned applications and preserving them in secrecy are opposite sides of the same coin".[12]

Deeming it anomalous that the Patent Office should so disqualify itself to perform fully its sole legitimate function of weeding out unpatentable subject matter and, by secrecy, inhibit the courts in their function of fully assessing patent validity, petitioner proceeded under § 552(a)(3) to seek a *de novo* determination in the district court of public accessibility to the abandoned applications.

The complaint (C.A. App. I, p. 13) affirmatively alleges that § 122 is not a "statute" which "specifically exempts" abandoned patent applications from production within the meaning of the FOIA's exemption 3. *Per contra*, as par. 11 of the complaint states, § 122 is disqualified as a § b(3) exemption statute by its *own* mandate that applications "necessary to carry out the

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[10] 35 U.S.C. § 131 requires that the Commissioner, as part of his duties, "shall cause an examination to be made" of applications for patents and to issue a patent on such applications only "if on such examination it appears that the applicant is entitled to a patent under the law".

[11] Under 35 U.S.C. 6 the Commissioner "may, subject to the approval of the Secretary of Commerce establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office."

[12] The quotation is from defendant's "Memorandum in Opposition to Plaintiff's Petition to Impanel Three-Judge District Court . . ." filed May 12, 1972 in the district court.

provisions of any act of Congress" are *not* subject to its "confidence" provisions.[13]

The complaint also states that "Public access to abandoned patent applications and consideration of such applications by the Patent Office and the courts is essential to insure that the patent system operates in a manner consistent with the constitutional objective" (Par. 17, C.A. App. I, p. 17), *inter alia*, because such applications contain evidence germane to the issues of patentability and patent validity upon which the agency and courts are required to pass (Par. 12-16, C.A. App. I, pp. 14-17). For these reasons, among others, the complaint states that "35 U.S.C. § 122 as construed by the defendant in this case to deny public access to the abandoned U.S. patent applications and thus to preclude consideration of the evidence of unpatentability contained therein by the Patent Office and the courts" is invalid under the patent, supremacy and due process clauses. See, *e.g.*, paragraphs 15 and 18 to 22, C.A. App. I, pp. 16-18.

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[13] Paragraphs 10 and 11 of the complaint state:

> "10. Access by plaintiff and the public to the requested abandoned United States patent applications is not barred by 35 U.S.C. 122 which in pertinent portion states:
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> > 'Applications for patents shall be kept in confidence by the Patent Office . . . unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner.'
>
> and hence are not exempted by 5 U.S.C. 552(b)(3) and are subject to production under the provisions of 5 U.S.C. 552 (a)(3).
>
> "11. Availability of the requested abandoned United States patent applications to the public is 'necessary to carry out the provisions' of at least 35 U.S.C. 102(a), 102(f), 103 and 282 and of Article 1, Section 8, Clause 8 of the Constitution of the United States." (C.A. App. I, p. 14)

Paragraphs 12 through 17 set forth specific reasons why availability of abandoned applications to the public "is necessary to carry out the provisions" of the various statutes and the Constitution as alleged in Paragraph 11.

On May 12, 1972, the district court denied petitioner's application to appoint a three judge court pursuant to 28 U.S.C. 2284 (C.A. App. I, 25, 27). It never ruled on petitioner's renewed application filed June 9, 1972 (C.A. App. I, 28). At the "trial" ultimately held on August 16, 1974, no witnesses were called by either party. The court ruled upon offers of evidence [14] and heard oral argument.

On August 28, 1974, twelve days after the trial was concluded, the agency filed a "Motion to Reopen Trial under Rule 59(a)(2)" App. I, 10 *inter alia* to present 45 new exhibits.[15] On September 5, 1972, plaintiff filed its "Opposition", pointing out that the 45 exhibits were in no sense "newly-discovered" evidence and that, if the motion were granted "at the very least, a reopening of proceedings would necessarily be required" to permit petitioner to elicit counter-evidence.

The district court never ruled on the agency's Rule 59(a)(2) motion. However, its April 26, 1973 "Memo-

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[14] Among other things, the district court expressly ruled that it would not use "anything" in the agency's Exhibit Book I (a collection of decisions in the 1890-1904 time period) (Tr. 162-164) as evidence of the Patent Office practice regarding the public availability of abandoned applications.

Petitioner's objection is obviously valid and was properly sustained by the district court. The Patent Office—again on the presumed authority of § 122—has suppressed approximately 175 bound volumes of its "manuscript decisions" plus unspecified numbers of unbound decisions and has selected for publication only those few which suit its purposes. See *Irons* v. *Schuyler*, 465 F.2d 608, 613 (D.C. Cir. 1972). Against this mass of secret law, the decisions cited below were correctly rejected as *evidence* by the district court and improperly considered as evidence prejudicial to the petitioner by the court of appeals. Appendix A, p. 14a.

[15] Including an allegedly "volunteered" *ex parte* affidavit of Pasquale J. Federico, a retired Patent Office sinecurist who at all relevant times was resident in the Washington, D.C. area available to be called by the Patent Office as a witness, albeit subject to proper cross examination.

randum Opinion and Order", *infra*, Appendix B, p. 20a, deciding in favor of the Patent Office on all issues and dismissing the complaint was clearly influenced by the "new evidence" which petitioner was denied an opportunity to meet.[16] In derogation of 28 U.S.C. 2284, the April 26, 1973 "Order" adjudicates the merits of petitioner's constitutional claims (App. B, p. 25a)

An appeal was timely noticed, and on June 29, 1974, petitioner filed a motion for summary reversal on the ground that the district court was without jurisdiction to dismiss the complaint on its merits in lieu of convening a three-judge court pursuant to 28 U.S.C. §§ 2282 and 2284. The summary reversal motion was "denied" without explanation by a single judge on November 11, 1973. Oral argument was had on March 6, 1974 and the appellate opinion affirming the judgment of the district court was filed August 14, 1974.

The appellate opinion pays lip service to the settled doctrine that "there must be strict compliance with [§ 552 (b) (3)'s] requirement that a matter be '*specifically* exempted' from disclosure by statute" (App. A; p. 11a) (emphasis in original)—it nonetheless holds that § 122 qualifies under exemption 3 to "specifically exempt" *abandoned* patent applications to which the statute does not advert, saying that:[17]

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[16] The district court's opinion states:

> "At least twenty four percent contain trade secrets which the applicants desire to maintain in secrecy." (App. B; p. 22a)

This finding is taken almost verbatim from the memorandum filed in support of the agency's August 28, 1972 Rule 59(a)(2) motion which states:

> "Assuming none of the missing responses favors defendant's position in 6 of our 25 cases, or 24% of the random sample selected, an abandoned application did contain a trade secret at the time it became abandoned." (p. 10).

[17] Essential to its ruling that abandoned applications are "specifically" subject to § 122's confidence provisions is the Fourth Circuit's assertion that "[t]he language in § 122 creating confiden-

"The *presence of guidelines* for the exercise of discretion to withhold or disclose *qualifies* a statute to be the basis of a (b)(3) exception. The phrase [in

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tiality speaks of [a]pplications for patents. The language is broad enough to include all categories of applications—pending, abandoned and granted . . ." (App. A, 11a)—a conclusion urged by petitioner to be fallacious because the files of "granted" applications (*i.e.*, applications which issue as patents) are now and have always been open to the public.

The Fourth Circuit's unpersuasive answer is that the publication of the files of granted patents "results from the provisions of §§ 112 and *154 and not from the provisions of § 122*." (App. A, 11a, n. 14) —an answer contradicted by Raymond Martin, the assistant Patent Office Solicitor of record below, who has stated:

> "The Commissioner has delegated administration of Section 122 to the Solicitor, who in turn has delegated it to an associate solicitor.
>
> "In the exercise of his discretion, the Commissioner has determined by rule that certain Patent Office records are open to the public as a matter of right. These are set forth in Rules 11 and 14(b). Thus, the file of a patented application is open to the public as is the file of a terminated interference involving a patent, or an application on which a patent has subsequently issued. These are provided for in Rule 11(a)." Martin, The Functions of the Office of the Solicitor of the United States Patent Office, Vol. 56, Journal of the Patent Office Society, 30, 36 (1974).

Section 154 is in terms inapposite, requiring only that "A copy of the specification and drawings [not the whole file] shall be annexed to the patent and be a part thereof".

This Fourth Circuit holding was designed to meet petitioner's argument that § 122's language "[a]pplications *for* patents" defines *only* pending applications which *alone* seek the grant of patents. It was an essential part of the erroneous assertion that "if" petitioner's argument that abandoned applications are *not* "specifically excluded" by § 122 "prevails, FOIA plaintiffs will be able to compel public disclosure of all applications both pending and abandoned . . . ." (App. A, 6a, note 8).

The Fourth Circuit carefully ignored petitioner's further contention that *if* section 122 includes *all* applications, then both issued and abandoned applications, being "necessary to carry out the provisions of" other parts of the Patent Act, are not subject to the Commissioner's discretion and must be made publicly available.

§ 122] 'such special circumstances as may be determined by the Commissioner' is such a standard. It incorporates the then existing *administrative standards* embodied in Rule 14(a) and (b).[12] *In turn*, the standards found in Rule 14 are sufficiently specific that they meet the 'specifically exempting' requirement of the (b)(3) exception."

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[12] 37 C.F.R. 114(a), (b)." [18]

In thus qualifying § 122 under FOIA exemption 3, the appellate court pointedly ignored the statute's *own* exemption from its confidence provisions of *all* applications "necessary to carry out the provisions of any act of Congress." [19]

It never discussed the evidentiary requisites of §§ 102 and 103 relative to *this* explicit § 122 clause, but relegated to the constitutional context all of petitioner's arguments concerning those criteria and the statutes [20] which direct the Patent Office and the lower courts to implement them. The constitutional arguments—which need not have been reached if the § 122 "necessary to carry out" clause had been carefully analyzed—were then misstated and summarily pronounced "insubstantial".

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[18] A ruling which conflicts with decisions from other circuits to the effect that a statute which confers *discretion* upon the agency to determine whether to make agency records available does *not* qualify under exemption 3. See the discussion of these cases in the petition in No. 74-450 and as amplified, *infra*, p. 19.

[19] In Part VI of its opinion App. A, p. 11a, the lower court, to qualify § 122 as "specifically exempting" abandoned applications even under its own newly fashioned "test", relied upon *de novo* appellate fact findings premised on evidence rejected or improperly considered below including the agency's "Exhibit Book I" (n. 14, supra p. 11) and the *Federico* affidavit. (n. 15, *supra* p. 11).

[20] i.e., 35 U.S.C. §§ 131, 141-146, 282.

Thus, the Fourth Circuit acknowledged that "it seems clear that the [Supreme] Court believes that patentability standards such as non-obviousness [35 U.S.C. 103] . . . have a constitutional dimension", citing *Graham, supra,* and *Anderson's-Black Rock, supra,* but dismissed as "insubstantial" petitioner's claim that § 122 is unconstitutional as applied by the Patent Office to suppress a part of the evidence requisite to insure the issuance and enforcement of only those patents that conform to the Constitution's standard.[21]

The core of this Fourth Circuit rejection of petitioner's first constitutional claim is the observation, taken verbatim from the artfully phrased *Patent Office brief,* that "*Brown* v. *Guild* (The Corn Planter Patent, 90 U.S. 181, 210, 211 (1874), holds that an abandoned application, per se, cannot be the basis for holding a patent invalid

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[21] In *Anderson's-Black Rock,* this Court reversed a 1968 Fourth Circuit decision (404 F.2d 450) to hold a patent invalid on the basis of constitutional strictures.

The reference in this case to these same strictures as only this Court's *belief* rather than an established tenet of law suggests that the Fourth Circuit is at best convinced against its will of the "constitutional dimension". This hypothesis is confirmed as to Judge Winter, author of the opinion below, by the tenor of his recent dissent in *Blohm & Voss A.G.* v. *Prudential-Grace Lines, Inc.,* 489 F.2d 231 (4 Cir. 1973), cert. den. —— U.S. —— (1974) (this issue not raised) wherein he quotes from *Graham, supra,* 383 U.S. at 17-18, but seemingly concludes, in opposition to its holding, that the ultimate legal question of patent validity under 35 U.S.C. § 103 may be foreclosed by the fact-findings of the district court.

In rejecting the constitutional claims as "insubstantial", the Fourth Circuit made no reference either to *Goosby* v. *Osser,* 409 U.S. 512 (1973) or *Hagans* v. *Lavine,* 415 U.S. 528, 39 L.Ed. 2d 577 (1974) or the strict test which these cases explicate, nor did it cite or purport to cite any "prior decisions [which] inescapably render the claims frivolous" or which "foreclose the subject and leave no room for the inference that the question sought to be raised can be the subject of controversy". *Hagans, supra,* 415 U.S. at ——, 39 L.Ed. 2d at 588.

because the application represents nothing more than an abandoned experiment" (App. A, p. 17a).[22]

The Fourth Circuit also took from the Patent Office brief and served up in rephrased form, the agency assertion that the first constitutional argument is insubstantial because "35 U.S.C. § 102 which specifies the type of prior art which will prevent issuance of a patent, . . . does not specify abandoned applications as 'prior art' " (App. A, p. 17a). No authority is cited.[23]

Petitioner's second and third constitutional claims, both of which were misstated by the Fourth Circuit, were

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[22] See the discussion, *supra*, p. 6, of *Brown's* teaching.

[23] The interpretation of § 102 as limiting the "prior art" available for consideration on the § 103 issue of "obviousness" conflicts with many decisions of other courts, including *Application of Harry*, 333 F.2d 920, 922 (CCPA 1964) and *Application of Bass*, 474 F.2d 1276 (CCPA 1973). Efforts to so limit evidence of obviousness were considered and rejected by the Congress incident the enactment of § 103. See the Hearings Before Subcommittee No. 3 of the Committee of the Judiciary, House of Representatives, 82nd Cong., 1st Sess. on HR 3760 (1951) at p. 221 and *Harry, supra*, 333 F.2d at 922, n. 1 and n. 2. This interpretation of § 102 also fails to meet petitioner's argument based on the Patent Office concession that abandoned applications "are evidence of the level of skill in the art to which they pertain as of their filing dates" (C.A. App. I, p. 35, par. 12) *even though* not public and not mentioned in § 102. See *Graham, supra*, 383 U.S. at 17.

Moreover, as the Patent Office has stipulated (App. I, Par. 18, 24, 25, 39, pp. 42-46) *publicly available*, and hence *non*-secret abandoned applications, are *prior art* references within the express contemplation of § 102(b) and applied as such in the examination of pending cases just as any other publicly available document is applied.

The judicial exclusion of "abandoned applications" from § 102 because of lack of express mention is a logical *non sequitur* in light of the lower court's gratuitous *inclusion*—essential to its Exemption 3 ruling—of the same abandoned applications in § 122, *notwithstanding lack* of express mention.

summarily dismissed as dissonant with and answered by this Court's decision in *Kewanee Oil Co.* v. *Bicron Corp.*, 412 U.S. 546 (1974)—notwithstanding the lower court's earlier acknowledgment that "There is nothing in the opinion in Kewanee to indicate that the legality of suppressing all information contained in abandoned applications was either litigated or decided" (App. A, p. 9a).

Petitioner's second constitutional claim, in essence, is that the Constitution precludes Patent Office subordination of the patent system to the state law of trade secrets and hence, that the evidence germane to patentability which abandoned applications contain may not be federally suppressed on the pretext of protecting trade secrets. This claim is seemingly in strict harmony with *Kewanee's* acknowledged "limitation on the states . . . that in regulating the area of patents and copyrights, they do not conflict with the operation of the laws in this area passed by Congress. . . ." 412 U.S. at ——, 40 L. Ed.2d at 324, which the Fourth Circuit quoted (App. A, 19a) but refused to apply.[24]

The third constitutional claim—that since the grant of trivial and undeserving patents contravenes the substantive due process standard of the Fifth Amendment by impeding the rights of all citizens to the free exercise of

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[24] It is stipulated that the Patent Office has no right under any statutory or constitutional provision or on any other basis to recognize any sort of proprietary right in subject matter which it has adjudged unpatentable (C.A. App. I, p. 48 par. 52); that "At least some patent applications are abandoned because an unfavorable adjudication of patentability has been rendered by the Patent Office . . . but even as to such applications it is customary for the Patent Office to retain them and their related files in secrecy" (C.A. App. I, p. 43, par. 28) and that the Patent Office has no "proprietary right or interest of any nature in any alleged trade secret purportedly contained in any abandoned patent application." (C.A. App. I, p. 48, par. 51).

ordinary skills in pursuit of a normal calling[25] and thereby retards rather than advances, the progress of the useful arts, in derogation of the Patent Clause, the Constitution necessarily interdicts suppression by the Patent Office of any part of the evidence germane to patentability[26]—was wholly evaded by the Fourth Circuit's misstatement of it (App. A, 18a) and is unrelated to *Kewanee* on which its rejection as "insubstantial" below was solely premised.

REASONS WHY THIS WRIT SHOULD BE GRANTED

1. The petition in No. 74-450, *Robertson* v. *Butterfield*, citing *inter alia*, the Fourth Circuit decision below, sets forth compelling reasons why this Court should consider the question of whether a statute which confers discretion upon the administrator to make records available "specifically exempts from disclosure" within the meaning of § 552(b)(3).[27]

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[25] See *Allgeyer* v. *Louisiana*, 165 U.S. 578, 589-590 (1886); *Greene* v. *McElroy*, 360 U.S. 474 (1959).

English economic monopolies, always a paramount object of colonial resentment, were one cause of the Revolution. Every school child is familiar with the "monopoly on tea that sparked the Revolution," *Graham*, *supra*, 383 U.S. at 7, and with the excesses of the Stamp Act and the Townshend Acts. Less well known is the *List of Infringements and Violations of Rights* drawn up by the Boston Town Meeting in 1772 that complained of the English action:

> "The restraining us from erecting Stilling Mills for manufacturing our Iron the natural produce of this Country, *Is an infringement of that right with which God and nature have invested us, to make use of our skill and industry in procuring the necessaries and conveniences of life.*"

[26] *Atlantic Works* v. *Brady*, 107 U.S. 192, 199-200 (1883); *Great A&P Tea Co.* v. *Supermarket Equipment Co.*, 340 U.S. 147 (1950).

See "The Constitutional Standard of Invention—The Touchstone for Patent Reform", 1973 Utah Law Rev. 653, 667-674.

[27] To illustrate the "uncertainty and confusion in the circuit" "as to exemption 3," the petition in No. 74-450 cited (pp. 17-18) in addition to *Robertson* and *Sears, Stretch* v. *Weinberger*, 495 F.2d

The coincident presentation of this petition and that in No. 74-450 provides a rare oportunity for this Court to define precisely the reach of the FOIA's Exemption 3, in the context of two quite different statutes having different language, purposes and histories, involving basically different agencies and implementing different constitutional objectives—to wit 49 U.S.C. 1104 and 35 U.S.C. 122.

This is the *only* case of those cited in No. 74-450 in which the appellate court held the involved statute to be *within* exemption 3.[28] It is also the *only* such case in which the withheld information was initially submitted to induce the grant of a public franchise to the applicant. Joint consideration of the two cases in this Court will permit a searching elaboration of exemption 3 which jurisdictional considerations will gainsay if either case be considered alone.

An early and authoritative delineation of exemption 3's scope is important to the administration of the FOIA. Citing fragments of the legislative history, the United States, in No. 74-450 seeks a recidivist interpretation of exemption 3 which would permit agency withholding of information of "all material with respect to which Congress by statute has provided for nondisclosure on *various* terms, including statutes which give government officials *discretion* to decide whether to disclose," No. 74-450, pet. p. 2—a relapse to the very evils which it was the purpose of the FOIA to correct.[29] The Senate, in

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639 (3 Cir. 1974); *Schechter* v. *Weinberger*, 498 F.2d 1015 (9 Cir. 1974); and from the Fifth Circuit *Serchuk* v. *Weinberger*, 493 F.2d 663 (5 Cir. 1974) and *Evans* v. *Department of Transportation*, 446 F.2d 821 (1971), cert. den. 405 U.S. 918.

[28] Except to the extent that *Evans, supra*, may be relevant.

[29] The No. 74-450 petition represents that "At the time of the enactment of the FOI Act there were nearly 100 statutes which restricted disclosure in various ways. . . . These discretionary statutes differ widely . . ." (p. 9).

its May, 1974 "Freedom of Information Act Source Book: Legislative Materials, Cases, Articles" especially at pages 1 and 6-8 clearly demonstrates the true Congressional intent which is at odds with both the decision below and the position of the United States in No. 74-450.

In correctly applying the required "*strict*" construction to the § (b) (3) exemption, the District of Columbia Circuit has held that the exempting *statute* **"must itself specify"** the documents to be withheld. Thus, in *Tax Analysts and Advocates et al* v. *Internal Revenue Service*, No. 73-1978, decided August 19, 1974 (Appendix E, infra, p. 33a), the *un*animous court *quoted and reaffirmed* its prior ruling in *Robertson*, that

> "The ordinary meaning of Exemption (3) is that the statute therein referred to must *itself* specify the documents or categories of documents it authorizes to be withheld from public scrutiny."

The District of Columbia Circuit decisions in *Robertson* and *Tax Analysts* are in conflict with the Fourth Circuit's ruling in this case which purports to qualify § 122—which does *not* refer to them—as a statute by which abandoned applications are nevertheless "specifically exempted" on the ground that

> ". . . The phrase 'such special circumstances as may be determined by the Commissioner' . . . *incorporates* the *then existing administrative standards* for disclosure of patent applications embodied in Rule 14 (a) and (b). *In turn, the* [administrative] standards found in Rule 14 *are sufficiently specific* that *they* meet the 'specifically *exempting*' requirement of the (b) (3) exception." (App. A, 8a)

The decision below also conflicts with the ruling of the

Third Circuit in *Stretch* v. *Weinberger*, *supra*.[30] In *Stretch*, the court held:

> ". . . We agree, as did the district court, that *the exempting statute must prescribe* some basis upon which the Secretary is to decide. Otherwise, there would be no escape from the unacceptable conclusion that the word 'specifically', as used in section 552 (b) (3), is surplusage."

The Fourth Circuit's suggestion that its decision follows the "Third Circuit view" in *Stretch* is incorrect. The conflict is direct and obvious. There is no difference between the "unbridled discretion" which the "phrase" quoted from § 122 vests in the *Patent* Commissioner and the "unbridled discretion" ("no disclosure . . . shall be made except as the Secretary . . . may by regulation prescribe") which the Third Circuit held to *dis*qualify 42 U.S.C. 1306(a) under exemption 3.[31]

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[30] And, *a fortiori*, with the Fifth Circuit decision in *Serchuk* which adopts *Stretch*. See the No. 74-450 petition p. 17, n. 11.

The Third Circuit definitely did **not** "rule" as stated in the appellate court's opinion (App. A, —a) in this case. The portion of the Third Circuit opinion quoted below is carefully identified by *that* court as *only* a statement of what "the *plaintiffs* argue" 495 F.2d at 64.

[31] Nor is the conflict in decision obviated by the suggestion that "applications for patents" is a "category" or "class" which qualifies § 122 under § (b)(3). A "category" can have significance only if *it* is specifically and narrowly defined. In *Stretch*, the equally generic "category"—

> "any . . . report . . . obtained at any time by the Secretary . . . or employee of the Department . . . in the course of discharging their . . . duties"

did *not* qualify 42 U.S.C. § 1306(a). Practically viewed in the context of the Patent Office practice, the term "applications for patents" as generically construed below is equally broad. See also the discussion of the generalized "category" found *not* to qualify § 1104 of the Federal Aviation Act of 1950 in *Robertson*, *supra*, 498 F.2d at 1033.

2. There is a dichotomy between the Patent Office and the courts as to the evidentiary effect of abandoned patent applications in the adjudication of patentability and patent validity questions. This dichotomy is consequent from an expedient Patent Office interpretation of this Court's decision in *Brown* v. *Guild*, 90 U.S. 181, 210-211 (1874) which the courts have not adopted.

The Patent Office, emphasizing *Brown's* holding, on the specific facts at issue, that the mere filing of an unsuccessful application for a patent "cannot take the case out of the category of unsuccessful experiments" broadens its thrust to categorize abandoned applications generally as unsuccessful experiments and therefore disqualifies them as evidence of unpatentability in every context.

The courts, including this one, at least tacitly stressing *Brown's* acknowledgement that an abandoned application may "have a bearing on the question of prior invention or discovery" and hence is part of "the whole of the evidence" to be considered in assessing patent validity receive and consider such applications in litigated cases.[32]

As the Fourth Circuit conceded (App. A, 17a), this Court in *Milburn*, *supra* criticized the administrative practice based on the Patent Office interpretation of *Brown*. This Court has not heretofore had an opportunity to confront that practice squarely and rule upon its legitimacy. Yet the practice affects the whole mass of patent applications[33] examined in the Patent Office and is *a fortiori* one of several factors which account for

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[32] See e.g., *Brown* v. *Davis*, *Yale Lock*, *Altoona*, *Stelos*, *Smith* and *Package Devices*, cited *supra* n. 6, p. 5.

[33] Some idea of the magnitude is apparent from the Annual Report of the Commissioner of Patents for the fiscal year ended June 30, 1973 which shows that more than 70,000 new patent applications were filed in each of the twenty fiscal years between 1954 and 1973, with the number exceeding 100,000 in each of the four latest of these years.

the observed dichotomy between administrative and judicial patentability standards.[34]

3. 35 U.S.C. § 122, which was enacted in 1952 is in terms binding on the Commissioner of Patents but not on the courts.

Under § 122 the Commissioner has promulgated rules including 37 CFR 1.108 and 1.14 providing for absolute secrecy of abandoned applications generally and precluding their citation as references against pending applications. Presumably these rules rest upon an undisclosed administrative determination that public availability of abandoned applications is *not* "necessary to carry out the provisions of any act of Congress" (35 U.S.C. § 122) including other sections of the patent statutes embodied in Title 35. These rules are followed in the Patent Office but have no present effect upon the gathering or presentation of evidence in the courts,[35] where abandoned applications are used just like other forms of evidence in implementation of the patentability criteria of 35 USC §§ 102 and 103.

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[34] See *Graham* v. *John Deere Co., supra,* 383 U.S. at 18-19; *Kewanee Oil Co.* v. *Bicron Corp.,* 412 U.S. 546 (1974).

Kewanee emphasizes that "[t]his Court has noted the difference between the standards used by the Patent Office and the courts to determine patentability [citing Graham] 412 U.S. 546 at ——, and cites, as a "possible explanation" Areeda's observation that "[t]he Patent Office often seems to resolve doubts about patentability in favor of issuance. . . . Thus, the Patent Office grants many patents that will be held invalid if ever fully litigated." *Areeda,* Antitrust Analysis § 406(d) (1967).

[35] The courts routinely act to compel production for use in litigation of both pending and abandoned patent applications, notwithstanding § 122 and such rules as 37 CFR 1.108 and 1.14. See, *e.g.,* the *James B. Clow and Sons, Inc.* and *Carrier* cases cited *supra* n. 6, p. 6.

To date the rulings below represent the sole judicial effort at determining whether use of abandoned applications as evidence is "necessary to carry out" §§ 102 and 103. In effect, these rulings simply rubber stamp the administrative determination implicit in 37 C.F.R. 1.108 and 1.14. Absent review of the cases they will stand as the sole authority on the ambit of § 122 and specifically on the question of whether use of abandoned applications as evidence is necessary to the proper implementation of the high patentability standard required by these statutes.

No conflicting interpretation will emerge, as a practical matter, from appellate proceedings arising out of the Patent Office examination of pending patent applications. No patent applicant can appeal from a Patent Office decision in his favor; moreover, no patent applicant can reasonably be expected to challenge the Patent Office failure to cite *any* particular reference, whether or not an abandoned application, to defeat his own application for a patent. The Patent Office can neither challenge its own decisions nor attack its own rules before the courts and hence will certainly not raise the matter.

Nor will any conflicting interpretation be spawned by patent validity litigation. The lower courts interpret § 122, if at all, only incidentally to gaining an understanding of some aspect of Patent Office procedure or evidentiary standards. These courts have no authority to impose evidentiary standards upon the Patent Office or to require that it consider any particular class of evidence.

In short, even though § 122 and its interpretation relative to abandoned patent applications has a significant impact upon each of the applications which the Patent Office receives, an opportunity for authoritative adjudication of its scope in this Court probably will not arise again. Accordingly, to afford the proper guidance to

the Patent Office, the lower courts which may otherwise be influenced by the decisions below to discontinue using abandoned application as evidence germane to the §§ 102 and 103 patentability criteria [36] and Congress,[37] this Court should follow the admonition of *Andrews* v. *Hovey*, 124 U.S. 694, 716 (1888) that "[a] question arising in regard to the construction of a statute of the United States concerning patents for inventions cannot be regarded as judicially settled when it has not been so settled by the highest judicial authority which can pass upon the question", and *now* review the decision of the Fourth Circuit in this case.

Like *Andrews*, this case is not one "for the application of the doctrine that, in cases of ambiguity, the practice adopted by an executive department of the government in interpreting and administering a statute is to be taken as some evidence of its proper construction", 124 U.S. at 717. The interpretation of § 122 "is not a question of executive administration, but is properly a judicial question" governing as it does the application and use of an important segment of evidence germane to patentability. Hence, even though it "may come under the cognizance of the commissioner of patents, in granting a patent, yet, like all the questions passed upon by him

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[36] As shown in the petition in No. 74-207, *Akron Presform Mold Co.* v. *McNeil Corp.*, filed August 28, 1974 at pp. 14-15 the Patent Office concealment of abandoned applications may in some cases abet the owner of an abandoned application in defrauding, misleading or otherwise inequitably prejudicing an opponent in subsequent litigation.

[37] The district court decision has already been cited to Congress as authority for unfavorable action on S.1321, 93rd Cong., 1st Sess., providing for public availability of heretofore abandoned patent applications and prompt publication prior to issuance of subsequently filed applications as part of a new examination system with opportunity for public participation and presentation of evidence. See, *e.g.*, Hearings Before the Subcommittee on Patents, Trademarks and Copyrights, Committee on the Judiciary, United States Senate, 93rd Cong., 1st Sess. (1973) at pp. 600, 604-605.

in granting a patent, . . . his determination thereof . . . has never been looked upon as concluding the determination of the courts in regard to those questions. . . ." *Andrews, supra,* at 718. To insure that his interpretation does not become conclusive by default, the decision below should be reviewed now.

4. Question 2 concerning the proper interpretation of this Court's precedent and Question 3 concerning the proper interpretation of 35 U.S.C. § 122, were resolved by the Fourth Circuit in a way that promotes divergence between Patent Office and judicial precedent by leaving intact the conflicting evidentiary rules of each even though the appellate court perceived a "tendency to hamper the correct resolution of constitutional issues. . . ." (App. A, 18a) in this result.

This Court in *Graham, supra,* explicating the high standard for patentable invention, emphasized that the constitutional structures bind Congress and the lower courts and implied that they bind the administrative branch as well by noting a need for "closer concurrence between administrative and judicial precedent." 383 U.S. at 18. This case presents a pointed example of that need and emphasizes the inability of both the Patent Office and the lower courts to achieve "concurrence" without guidance from this Court.

This Court recognized in *Graham, supra,* that "the primary responsibility for sifting out unpatentable material lies in the Patent Office. To await litigation is—for all practical purposes—to debilitate the patent system." (383 U.S. at 18). The decision of the Fourth Circuit is that whenever an abandoned application is part of the evidence germane to patentability, the public *must* await litigation to have it considered.[38]

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[38] Practically it may not be considered even then since there is no ready way of locating abandoned applications so long as the

No effort was made to harmonize this decision with the Court's further admonition in *Graham* "for the Commissioner to adhere strictly to the 1952 Act as interpreted here" (383 U.S. at 18) or to gauge its debilitating effect upon the patent system as a whole. Yet current statistics show that *Graham* is largely ignored by the Patent Office—and strongly imply that it will be further disregarded if Patent Office practices which encourage only partial consideration of evidence germane to patentability, including that approved by the decision below—are allowed to stand.[39] The 1973 Annual Report of the Commissioner of Patents shows that the number of patents granted annually has increased from the "about 50,000" noted in *Graham*, 383 U.S. at 18, to about 70,000 in each of 1971 and 1973 and over 80,000 in 1972. BNA's Patent, Trademark and Copyright Journal on September 13, 1973 published statistics showing that the United States Patent Office grants 75-80% of all applications

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Patent Office keeps them secret. The result is that a litigant will have a fair chance at discovering relevant abandoned applications owned or controlled by his opponent but must trust to luck to find those in third party hands.

[39] Contrary to *Graham's* mandate, the Patent Office quota system subordinates quality to quantity to meet a production goal. In commenting on this system, Murray Weissman, primary Examiner with "close to 29 years experience in patent examination" testified on September 14, 1973

> "It should hardly surprise anyone that the Patent Office, operating under present practices and procedures, is at least one of the prime causes for patent invalidity. There is also hardly any question that some of the practices are a result of the demands made upon the Patent Office with respect to decreasing, or at least maintaining at the same level, the backlog of unexamined applications. But the question here is simply whether or not there can be any justification for the practices and procedures employed by the Patent Office in order to meet the demands made, regardless of what they may be, when it is glaringly apparent that they must inevitably result in a flood of invalid patents."

See Hearings cited *supra* n. 37, p. 25, at pp. 445-447.

filed in contrast to the 30% rate of patent issuance in West Germany and the 40% rate in Japan.[40]

The public interest is in a Patent Office which functions to sift out unpatentable material at the source.[41] This case is unusual in that it affords this Court an opportunity to instruct the Patent Office directly on this point—hence the public interest augurs strongly in favor of accepting the case for review.

CONCLUSION

The present petition for writ of certiorari should be granted.

Respectfully submitted,

EDWARD S. IRONS
1801 K Street, N.W.
Washington, D.C. 20006
296-8855

Attorney for Petitioner

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[40] Pointedly, West Germany and Japan are showing marked signs of soon outstripping the United States in technological progress—and each enforces a much higher standard of patentability at the Patent Office level than does the United States.

[41] This is so not only because of the dominant public interest which underlies the very existence of the patent system but also because the Patent Office operation is paid for by public subsidy so that as a practical matter, the Office should be obligated to serve the public rather than the patent applicant. For example, in fiscal 1973, according to the Annual Report of the Commissioner of Patents, the Patent Office operation cost $64,500,000 and the Patent Office income from fees was $26,000,000 leaving a deficit of $38,-500,000 to be made up from public funds.

APPENDIX A

UNITED STATES COURT OF APPEALS
FOURTH CIRCUIT

No. 73-1699

MARY HELEN SEARS,
Appellant,

v.

ROBERT GOTTSCHALK, Commissioner of Patents,
Appellee.

Argued March 6, 1974

Decided Aug. 14, 1974

Before WINTER, BUTZNER and FIELD, Circuit Judges.

WINTER, Circuit Judge:

Suing under the Freedom of Information Act, 5 U.S.C. § 552 (FOIA), plaintiff, a patent attorney, sought to enjoin defendant from withholding "abandoned U.S. patent applications" from her and the public. The suit was instituted because plaintiff's request to make available to her "all existing abandoned U.S. patent applications" had been denied by the defendant on the ground that the matters sought were barred from disclosure by 35 U.S.C. § 122 (1970). The district court concluded that the documents sought were exempt from compelled disclosure on the alternate grounds that they were "specifically exempted from disclosure by statute," as provided in 5 U.S.C. § 552(b)(3), and that they contained "trade secrets and commercial or financial information obtained from a person and privileged or confidential," as provided in

5 U.S.C. § 552(b)(4). We conclude that the district court was correct in its conclusion that abandoned patent applications are statutorily exempt from the necessity of disclosure under FOIA. We perceive no constitutional obstacle to this conclusion, and we do not think that a three-judge court was required in order to reach it. We affirm the order of the district court.

I.

A patent application is, of course, an application for the grant of a patent under the provisions of 35 U.S.C. § 1 *et seq.* Patent applications fall into three categories: (a) those in the process of consideration by the patent office—"pending applications," (b) those denied by the patent office as to which the applicant has not sought judicial review,[1] and those abandoned by formal relinquishment[2] or mere default,[3] before the patent office has taken final action—"abandoned applications," and (c) applications which have ripened into the grant of a patent—"matured or granted applications." Plaintiff makes no claim that "pending applications" should be available for public inspection; indeed, she readily concedes their confidentiality under 35 U.S.C. § 122. When the applications mature into the grant of a patent, a copy of the specification and drawing of the patent are annexed to the patent, 35 U.S.C. § 154, and they are open to the public for inspection and copying.[4] Thus, plaintiff's request was to have

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[1] The right to judicial review of the denial of a patent is found in 35 U.S.C. §§ 141 and 145.

[2] 37 C.F.R. §§ 1.138, 1.139.

[3] 35 U.S.C. § 133; 37 C.F.R. § 1.135. Patent applications abandoned by default may be revived, however, bya vertified statement satisfying the Commissioner of Patents that "the delay was unavoidable." 37 C.F.R. § 1.137.

[4] By 35 U.S.C. § 112, the "specification" of a patent application is "a written description of the invention, and of the manner

access to and examine only those falling into the second category—"abandoned applications," and only those are the subject of suit.

The patent office denies access to or inspection of both pending applications and abandoned applications. As to the latter, indices of abandoned applications are maintained, and the applications themselves or a microfilm thereof have been preserved. While the record does not reflect the fact with certainty, it appears that most, if not all, abandoned applications are extant, although, as might be expected, not all could be produced without some inconvenience and expense.[5] The record indicates that some portions of abandoned applications contain trade secrets. But it is argued that the evidence on this fact was received *ex parte* and we should conclude that the Commissioner of Patents has failed to satisfy the burden of proof to enable him to claim the "trade secret" exemption to disclosure. We need not concern ourselves with this contention, however, because we do not reach the district court's alternative holding that the trade secret exemption of FOIA is applicable.

II.

The legal dispute between the parties arises from two statutes. The first is FOIA, which requires each agency "on request for *identifiable records* . . . [to] make the records promptly available to any person." (Emphasis

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and process of making and using it . . . and [it] shall set forth the best mode contemplated byt he inventor of carrying out his invention." The completeness of the disclosure is thus manifest.

[5] 5 U.S.C. § 552(a)(3) permits an agency to exact "fees to the extent authorized by statute" as a condition precedent to making records promptly available to any person. In the instant case, it has been stipulated that plaintiff's request for inspection was "made in accordance with published rules stating the time, place, fees to the extent authorized by statute, and procedure to be followed" in compliance with § 552(a)(3).

added.) 5 U.S.C. § 552(a)(3). Among the exceptions to this mandate are records "specifically exempted from disclosure by statute," § 552(b)(3). The second statute from which the dispute arises is the provision of the patent title, 35 U.S.C. § 122, which states:

> Applications for patents shall be kept in confidence by the Patent Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner.

On the merits of the ultimate question, plaintiff contends that the § 122 rule of confidentiality applies only to pending applications and not to abandoned applications, and therefore the § 552(b)(3) exception to the mandate of § 552(a)(3) does not apply. Preliminarily, she asserts that § 122 is not the type of statute to qualify for the § 552(b)(3) exception, because it authorizes the Commissioner to disclose matters required to be kept confidential if he determines that disclosure is justified.[6]

Defendant argues that plaintiff's request to inspect "all existing abandoned U.S. patent applications" is not a request for "identifiable records" within the meaning of § 552(a)(3), and plaintiff's suit should be dismissed on that basis. On the merits, defendant contends that the rule of confidentiality embodied in § 122 applies to abandoned applications as well as pending applications, and that § 122 is a statute of the kind contemplated by § 552(b)(3), so that plaintiff's request is defeated by § 552(b)(3).

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[6] Plaintiff makes other contentions which we need not describe, discuss or decide in the view that we take of a proper disposition of the case.

III.

[1-3] We are not persuaded by defendant's argument that plaintiff's request to inspect was so lacking in specificity that the records sought were not "identifiable records" within the meaning of § 552(a)(3). The purpose of the "identifiability" requirement is to generate a "reasonable description enabling the Government employee to locate the requested records." Bristol-Myers Co. v. F. T. C., 138 U.S.App.D.C. 22, 424 F.2d 935, 938 (1970) (quoting S.Rept.No. 813, 89th Cong., 1st Sess. at 8). Although plaintiff's request was far reaching,[7] that purpose was met. Aside from the sheer bulk of the material to which access was sought and the accompanying expense and inconvenience of making it available for inspection, defendant makes no claim that he does not know what plaintiff wishes to see or where to locate it. The case is thus different from Irons v. Schuyler, 151 U.S. App.D.C. 23, 465 F.2d 608 (1972), where access was sought to "all unpublished manuscript decisions of the Patent Office" and where it appeared that there were more than 4,780,000 files, "any of which may contain one or more manuscript decisions." In that case, inspection was denied, but the decision turned on the difficulty of locating the requested records rather than the categorical nature of the request, we, therefore, do not deem it controlling here. If otherwise locatable, the rule in this circuit is that equitable considerations of the costs, in time and money, of making records available for examination do not supply an excuse for non-production. Ethyl Corp. v. Environmental Protection Agency, 478 F.2d 47 (4 Cir. 1973); Wellford v. Hardin, 315 F.Supp. 175 (D.Md.1970), aff'd 444 F.2d 21 (4 Cir. 1971). See also National Cable Television Ass'n, Inc. v. F. C. C., 156 U.S.

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[7] See the factual statements in Irons v. Schuyler, 151 U.S.App. D.C. 23, 465 F.2d 608, 611 (1972), cert. den., 409 U.S. 1076, 93 S.Ct. 682, 34 L.Ed.2d 664 (1972).

App. D.C. 91, 479 F.2d 183 (1973); Getman v. N. L. R. B., 146 U.S.App.D.C. 209, 450 F.2d 670 (1971).

IV.

Nor do we see merit in plaintiff's argument that, since the Commissioner may disclose patent applications "in such special circumstances as may be determined by the Commissioner," § 122 is not the sort of statute contemplated by the (b)(3) exception to the disclosure requirement of FOIA.[8] The question of whether a statute which confers discretion to determine whether to make records of his agency publicly available "specifically exempts from disclosure" the material over which the administrator has discretion is not without difficulty. Professor Davis resolves this question in favor of the availability of the exception.[9] He reasons that the specific intent of Congress to maintain in secret that which the administrator determines should be so maintained should not be overridden by the more general provisions of the FOIA.

We are aware of only two cases which bear directly on this question. In Evans v. Dept. of Trans., 446 F.2d 821 (5 Cir. 1971), the Fifth Circuit, in an alternative holding said that the (b)(3) exception was available for matters which a statute authorized an administrator to withhold if he found that

> disclosure of such information would adversely affect the interests of such person [he who provided the information to the administrator] and is not required in the interest of the public.[10]

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[8] If this argument prevails, FOIA plaintiffs will be able to compel public disclosure of all applications both pending and abandoned, notwithstanding plaintiff's concession that pending applications are protected from disclosure.

[9] Davis, Administrative Law, § 3A.18 (1970 Supp.).

[10] 49 U.S.C. § 1504 (1970).

It is noteworthy that the Congress had provided some standards for the exercise of discretion in the statute under consideration in *Evans*.

A recent Third Circuit case, drawn to our attention by post-argument memoranda, emphasizes the absence of statutory guidelines for the exercise of discretion in holding that 42 U.S.C. § 1306(a), which reads

> No disclosure of any . . . report . . . obtained at any time by the Secretary . . . or employee of the Department . . . in the course of discharging their respective duties under this chapter [the chapter on social security] . . . shall be made except as the Secretary . . . may by regulations prescribe . . .,

will not support the (b)(3) exception. Stretch v. Weinberger, 495 F.2d 639, (3 Cir., 1974). However, in *Stretch*, the court placed equal emphasis on the lack of specificity in the phrase "any record"—the definition of the matters to be kept confidential within the Secretary's discretion. The court stated the rule to be that

> "matters are . . . specifically exempted from disclosure by statute" only if a statute *either* identifies some class or category of items that Congress considers appropriate for exemption *or*, at least, sets out legislatively prescribed standards or guidelines that the Secretary must follow in determining what matter shall be exempted from disclosure. (Emphasis added).[11]

From this language, we infer that the Third Circuit would be satisfied that the phrase "applications for patents" sufficiently identifies the class of items Congress deems appropriate for exemption so that the absence of guidelines in § 122 for the exercise of the Commissioner's discretion would not be determinative.

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[11] A 640.

[4, 5] Plaintiff, of course, argues that, where the administrator has unbridled discretion to disclose or not disclose a class of items, the (b) (3) exception should be unavailable regardless of how carefully such class is identified. But we are persuaded of the correctness of the Third Circuit view. The presence of guidelines for the exercise of discretion to withhold or disclose qualifies a statute to be the basis of a (b) (3) exception. The phrase "such special circumstances as may be determined by the Commissioner" is such a standard. It incorporates the then existing administrative standards for disclosure of patent applications embodied in Rule 14(a) and (b).[12] In turn, the standards found in Rule 14 are sufficiently specific that they meet the "specifically exempting" requirement of the (b) (3) exception. Since the legislative history is clear that § 122 was intended to codify the Patent Office rule of secrecy, whatever it may have been, we see no insuperable barrier to reading the guidelines for the exercise of the Commissioner's discretion to disclose back into the statute. We therefore hold that § 122 "specifically exempts" applications for patents from disclosure within the meaning of § 552(b) (3).

V.

Thus, we are brought to the ultimate question of how, in this case, to apply 5 U.S.C. § 552(a) (3) in the light of 5 U.S.C. § 552(b) (3) and 35 U.S.C. § 122. We begin by recognizing that in Kewanee Oil Company v. Bicron Corporation, —— U.S. ——, ——, 94 S.Ct. 1879, 1888, 40 L.Ed.2d 315 (1974), the Supreme Court has recently stated:

> The mere filing of applications doomed to be turned down by the Patent Office will bring forth no new public knowledge or enlightenment, since under federal statute and regulation patent applications and abondoned patent applications are held by

[12] 37 C.F.R. § 114(a), (b).

> the Patent Office in confidence and are not open to *public inspection.* 35 U.S.C. § 122; 37 C.F.R. § 1.14 (b).

While at first blush this sentence may seem to decide the instant case, we are persuaded that it has not, and that the issue is before us for initial adjudication.

Kewanee was a diversity action in which a manufacturer of synthetic crystals sought injunctive relief and damages under Ohio law against certain former employees and the corporation that they caused to be organized on the ground that defendants had misappropriated plaintiff's trade secrets. The district court, applying Ohio law, granted relief, but the Court of Appeals reversed on the ground that Ohio's trade secret law conflicted with, and hence was preempted by, the federal patent laws. The Supreme Court reversed the judgment of the Court of Appeals and reinstated that of the district court. The principal discussion in its opinion was about whether there was a conflict between the provisions and purposes of the federal patent laws and the Ohio law of trade secrets. It was with regard to a trade secret known not to be patentable that Supreme Court made the statement quoted to demonstrate tha he Ohio law which protected such a trade secret did not conflict with federal patent law.

There is nothing in the opinion in *Kewanee* to indicate that the *legality* of suppressing all information contained in abandoned applications was either litigated or decided. The quoted statement appears to be nothing more than a factual recitation of the surface provisions of the existing statute and regulation. Indeed, the statement is not necessarily even one that § 122 prescribes a rule of confidence for abandoned patents. This is so because the statement speaks of both "patent applications" and "abandoned patent applications," citing § 122 and 37 C.F.R. § 1.14(b)—which relates only to abandoned patent appli-

cations—but *not* 37 C.F.R. § 1.14(a)—which relates to pending patent applications. It follows that the statement may be read to invoke only § 1.14(b) of the regulations, and *not* § 122 of the statute, as support for its comment about the confidentiality of abandoned patent applications. Hence, we feel free to deal with the case on the merits as presenting a question of first impression; and, as we will show, we conclude that the statement in *Kewanee* is indeed the law with respect to abandoned applications.

VI.

In Ethyl Corp. v. Environmental Protection Agency, 478 F.2d 47, 48-49 (4 Cir. 1973), affirming our prior decision in Wellford v. Hardin, 444 F.2d 21, 25 (4 Cir. 1971), we said:

> The Freedom of Information Act was intended to express in statutory form the firm obligation of governmental agencies to make disclosure to "any person" of identifiable information and facts in their possession, limited only by certain specific exemptions. Specifically, it denied the federal agency any right to "refuse disclosure of materials covered by the Act for any reason other than one contained in the exclusionary section of the legislation. The legislative history of the Act makes it clear that the obligation to produce thereby mandated is to be construed *broadly* and the exemptions from such obligation *narrowly*. In short, the Act makes disclosure the rule and secrecy the exception. (Emphasis in original.)[13]

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[13] *Ethyl Corp.* was decided after Environmental Protection Agency v. Mink, 410 U.S. 73, 93 S.Ct. 827, 35 L.Ed.2d 119 (1973). That it is in accord with controlling precedents is demonstrated by the characterization in the later decision of Renegotiation Board v. Bannercraft Clothing Co., Inc., 415 U.S. 1, 19, 94 S.Ct. 1028, 1038, 39 L.Ed.2d 123 (February 19, 1974)—"The broad language of the FOIA, with its obvious emphasis on disclosure and with its

This is the spirit in which we approach the main question and this is why, in order for a failure to disclose to be sustained under § 552(b)(3), there must be *strict* compliance with its requirement that a matter be "*specifically* exempted" from disclosure by state.

The language in § 122 creating confidentiality speaks of "[a]pplications for patents." The language is broad enough to include all categories of applications—pending, abandoned and granted—[14] and that would appear to be the legislative intent of Congress. Especially is this so when the adjective of qualification—"pending"—could so easily have been employed had Congress intended the operative effect of § 122 to be limited to pending applications for patents as plaintiff contends. Moreover, the concept of an abandoned application for a patent is a flexible one. Both 35 U.S.C. § 133 and 37 C.F.R. § 1.137 permit the revival of an abandoned application under certain circumstances. Thus, what may be an abandoned application, which plaintiff claims the right to inspect, may subsequently resume being a pending application, which plaintiff concedes is immune to inspection. When an "abandoned" application does not necessarily remain abandoned, it is difficult to give the language of § 122 the discriminating effect urged by plaintiff.

Lest the language of § 122 be not itself sufficient "specifically" to clothe abandoned patent applications with confidentiality, we turn to its legislative history. The enactment of § 122 was part of the overall revision and reenactment of the patent laws in 1952. Both the House and

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exemptions carefully delineated as exceptions . . ."—in reaching the holding that FOIA does not limit the inherent powers of an equity court to grant relief.

[14] The disclosure of the essential portions of the applications for a patent when the patent is granted results from the provisions of 35 U.S.C. §§ 112 and 154 and not from the provisions of § 122.

Senate reports state that "[s]ection 122 incorporate into the title the rule of secrecy of patent applications *which has existed in the Patent Office for generations.*" (Emphasis added.) H. Report No. 1923, 82d Con., 2d Sess. at 7 (1952); S. Report No. 1979, 82d Cong. 2d Sess. at 6 (1952), U.S.Code Cong. & Admin.News, p. 2400. The fact is that, while the regulations of the Patent Office have spoken of pending and abandoned applications on a parity as to secrecy only since 1952, for *ninety* years prior thereto, and hence for the "generations" referred to in the legislative history of § 122, the practice of the Patent Office has been to treat them alike.

The text of the Patent Office rule in effect in 1952 (and also in effect at the present) is set forth in the margin.[15] It will be noted that subsection (a), with an exception not pertinent, states that "pending patent applications are preserved in secrecy," and subsection (b) states that "abandoned patent applications are *likewise* not open to public inspection" (emphasis added) except those referred

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[15] 37 C.F.R. § 1.14. *Patent applications preserved in secrecy*

(a) Except as provided in § 1.11(b) pending patent applications are preserved in secrecy. No information will be given by the Office respecting the filing by any particular person of an application for a patent, the pendency of any particular case before it, or the subject matter of any particular application, nor will access be given to or copies furnished of any particular pending application or papers relating thereto, without written authority in that particular application from the applicant or his assignee or attorney or agent of record, unless it shall be necessary to the proper conduct of business before the office or as provided by this part.

(b) Except as provided in § 1.11(b) abandoned patent applications are likewise not open to public inspection, except that if an application referred to in a U.S. patent is abandoned and is available, it may be inspected or copies obtained by any person on written request without notice to the applicant. Abandoned applications may be destroyed after 20 years from their filing date, except those to which particular attention has been called and which have been marked for preservation. Abandoned applications will not be returned.

to in a patent.[16] The rule was promulgated December 31, 1948, to become effective March 1, 1949.[17] Prior to 1949, pending and abandoned applications were usually the subjects of separate rules but they were, for practical purposes, treated alike. Pending applications have always been afforded secrecy;[18] abandoned applications were not

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[16] Until 1879, the Patent Office, in the examination of pending applications, cited abandoned applications as references. This practice was discontinued in 1879. The current practice of *not* citing abandoned applications as references is set forth in 37 C.F.R. § 1.108.

[17] 13 Fed.Reg. 9577 (1948).

[18] A brief history of the rules granting secrecy to pending applications follows:

The first rule appeared in 1854, and it provided:

> Aside from the caveats, which are required by law to be kept secret, all pending applications are, as far as practicable, preserved in like secrecy. No information will therefore be given to those inquiring whethera ny particular patent is before the office, or whether any particular person has applied for a patent.

With renumbering and inconsequential editorial change, the 1854 rule continued until 1879. In that year, the rule was revised twice, the latter version being:

> Caveats and pending applications are preserved in secrecy. No information will be given without authority . . . unless it shall be necessary to the proper conduct of the business before the office, as provided by Rules . . . .

In 1897, the rule was revised in a manner creating an apparent dichotomy of treatment of pending and abandoned applications. The 1879 rule read:

> Applications will be preserved in secrecy, except as provided in the interference rules; but copies of abandoned applications, upon petition therefor, for sufficient cause . . . will be furnished by the Commissioner.

The next revision occurred in 1916 and, except for a right of inspection of pending applications by the military for inventions having value in the prosecution of World War I, it continued unchanged until the present rule became effective in 1949. The essence of the 1916 rule read:

given formal secrecy until 1949, although access to them was restricted after 1879, when the Patent Office abandoned the practice of citing abandoned applications as references in the examination of pending applications.[19] The degree of restriction is highly significant. An examination of the opinions of the Supreme Court of the District of Columbia and the opinions of the Commissioner of Patents fairly demonstrate that, aside from an interference proceeding in the patent office, only a defendant in an infringement suit could obtain inspection of one or more specific abandoned applications, but then only if they were applications of the plaintiff who sued him for infringement and the defendant could allege that they contained material relevant to his defense. See U. S. ex rel. Pollok v. Hall, 48 O.G. 1263 (Sup.Ct.D.C. 1888); Ex parte Fowler and Fowler, 49 O.G. 562 (1889) aff'd sub nom., U. S. ex rel. Fowler v. Commissioner, 62 O.G. 1968

> Pending applications are preserved in secrecy. No information will be given without authority . . . unless it shall be necessary to the proper conduct of business before the office, as provided by Rules . . . .

[19] Prior to 1879, ther ules of the Patent Office made abandoned patent applications freely available to the public. The first rule relating to inspection of abandoned applications was adopted in 1879, and it provided:

> Certified copies of the files in cases of rejected or abandoned applications may be furnished to applicants or to other persons when specifically ordered, but no inspection of such files, except by the applicants or their duly authorized attorneys, will be permitted.

This rule contained until 1946, when it was revised into the following form:

> Copies of the files of forfeited and abandoned applications may be furnished when ordered by the Commissioner. The requests for such copies must be presented in the form of a petition properly verified as to all matters not appearing of record in the Patent Office. (See Form —).

The 1946 revision continued until it was supplanted by 37 C.F.R. § 1.14(b).

(Sup.Ct.D.C. 1890); U.S. ex rel. Bulkley v. Butterworth, 81 O.G. 505 (Sup.Ct.D.C. 1897); Ex parte Warner, 96 O.G. 1238 (1901); In re Dyer, 106 O.G. 1508 (1903); In re Ashtabula Telephone Company, 110 O.G. 860 (1904); In re Buck, 113 O.G. 1418 (1904); In re Taupenot, 113 O.G. 1418 (1904).

[6] Thus, it appears that while the Patent Office had, for generations, maintained separate rules limiting public access to pending and abandoned applications respectively, the practical effect of the two rules was identical. Since we look to substance rather than form, we think the difference in nomenclature preserved by the Patent Office for many years is of little significance and thus we conclude that the legislative history of § 122 only reenforces the facial breadth of the legislative command that abandoned as well as pending patent applications are protected from general public disclosure.[20] Notwithstanding the FOIA's

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[20] Our conclusion is in accord with the views of an authoritative commentator on the meaning and effect of § 122. The statement in the House and Senate Reports on H.R. 7794 that § 122 would codify "the rule of secrecy of patent applications which has existed in the Patent Office for generations" was undoubtedly derived from the testimony of Mr. Federico in the hearings on H.R. 3760, a prior version of H.R. 7794. Section 122 of H.R. 3760 is identical to § 122 of H.R. 7794, which was enacted as the present patent title. Mr. Federico had long been an examiner in the Patent Office and had assisted the committee staff in drafting H.R. 3760. Thus, it is significant that after the enactment of present § 122, Mr. Federico wrote that § 122 "makes no distinction between pending applications and abandoned applications . . ." Federico, Commentary on the New Patent Act, 35 U.S.C.A. § 1, pp. 1, 36.

Although entitled to less weight, we note also the pendency in Congress of proposals to abolish the secrecy rule as to both pending and abandoned patent applications. Proposed legislative abolition of the rule may well stem from the legislative understanding that the rule exists. See H.R. 7111, § 122, 92d Cong., 1st Sess., 119 Cong.Rec.No.61 at H2877 (April 17, 1973); S. 1321, § 122, 93d Cong., 1st Sess., 119 Cong.Rec.No.45 at S. 5373 (March 22, 1973).

strong policy of disclosure, we hold that mandatory disclosure of abandoned patent applications is foreclosed by § 122.

VII.

As a constitutional barrier to the conclusion we reach, plaintiff argues that § 122 and 37 C.F.R. §§ 1.14(b) and 1.108 are unconstitutional. The claim that 37 C.F.R. §§ 1.14(b) and 1.108 are invalid is derivative of the claim that § 122 is invalid insofar as it exempts abandoned applications from public disclosure, and plaintiff advances three distinct theories to arrive at that conclusion. A related argument is that the district judge should have convened a three-judge court to pass upon plaintiff's constitutional contentions rather than to have decided them himself. We agree with the district court that plaintiff's constitutional contentions are lacking in merit, and indeed are so insubstantial that it was unnecessary to convene a three-judge court pursuant to 28 U.S.C. § 2282 to reject them.[21] We turn to plaintiff's several arguments.

First, plaintiff relies upon Supreme Court decisions which say that the Patent Clause of Art. I is at once a conferral of power and a limitation upon the power conferred. Plaintiff contends that abandoned patent applications are evidence of the nature and scope of prior art and the level of ordinary skill therein, particularly when the Patent Office has rejected an application as not representing a significant advance over the prior state of the art at the time of the invention; and therefore a rule denying public access to abandoned patent applications prevents the efficient use of evidence material to the resolu-

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[21] Ex parte Poresky, 290 U.S. 30, 54 S.Ct. 3, 78 L.Ed. 152 (1930); Bailey v. Patterson, 369 U.S. 31, 82 S.Ct. 549, 7 L.Ed.2d 512 (1962); Rosado v. Wyman, 397 U.S. 397, 90 S.Ct. 1207, 25 L.Ed.2d 442 (1970); Maryland Citizens for A Rep. Gen. A. v. Governor of Md., 429 F.2d 606 (4 Cir. 1970).

tion of questions of patentability *in the constitutional sense.* It is argued that since the rule of secrecy is likely to lead to unconstitutional adjudications that extend patent protection to inventions that are not patentable constitutionally, the secrecy rule is itself unconstitutional.

[7] We do not agree. If Congress, in purported exercise of the Patent Power, attempts to extend patent protection to an item that is not a "discovery" within the meaning of he Patent Clause, such exercise of power would probably be unconstitutional. Although the Supreme Court does not appear to have invalidated any patent legislation on this theory, it seems clear that the Court believes that patentability standards such as nonobviousness—the requirement that the invention be "unobvious to one of ordinary skill in the art at the time it was made"—have a constitutional dimension.[22] But there are several answers to the contention. In the first place, 35 U.S.C. § 102 which specifies the type of prior art which will prevent issuance of a patent, or render an issued patent invalid, does not specify abandoned applications as "prior art." Brown v. Guild (the Corn Planter Patent), 23 Wall. 181, 210, 211, 90 U.S. 181, 210, 211, 23 L.Ed. 161 (1874), holds that an abandoned application, *per se* cannot be the basis for holding a patent invalid because the application represents nothing more than an abandoned experiment. See also 1 Deller's Walker on Patents, 309 (1964). The rule has been criticized but not modiged. Milburn Co. v. Davis Bournonville Co., 270 U.S. 390, 46 S.Ct. 324, 70 L.Ed. 651 (1926). But, where the concept of an abandoned application has been published or practiced so as to become "prior art," § 122 would not prevent a litigant in a suit over the validity of a patent from discovering any relevant and material abandoned

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[22] Graham v. John Deere Co., 383 U.S. 1, 86 S.Ct. 684, 15, L.Ed. 2d 545 (1966); Anderson's Black Rock v. Pavement Salvage Co., 396 U.S. 57, 90 S.Ct. 305, 24 L.Ed.2d 258 (1969).

patent applications. The exception in § 122 seems to be designed to meet this purpose. At best, full disclosure of abandoned patent applications would only facilitate the marshalling of evidence relevant to patentability that may be found in abandoned patent applications. Public disclosure of abandoned applications would probably permit the patent bar to develop expertise concerning what is contained in the mass of abandoned patents; patent attorneys might more readily be able to develop knowledge of what to look for and where to look for it under a system of public disclosure, in contrast to the present secrecy system where they must, indeed, start from scratch in their discovery in each case. But we doubt that the increased likelihood of correctness in adjudications about the validity of patents would be substantial. Furthermore, we do not think that a statute can be unconstitutional for no other reason than that it has some tendency to hamper the correct resolution of constitutional issues before the courts for adjudication.

Plaintiff's second constitutional theory relies upon the substantive due process clause of the fifth amendment. It is conceded that one of the purposes of the secrecy rule is to obviate the risk that, through publication, an applicant for a patent may lose rights arising under state trade secret law. Plaintiff says it is likely that many of the trade secrets embodied in abandoned patent applications are constitutionally unpatentable; and, if that be so, for the state to extend monopoly protection under is trade secret law to such inventions violates substantive due process.

[8] The short answer to this argument is the recent decision in Kewanee Oil Co. v. Bicron Corp., supra. That case extended the holding in Goldstein v. California, 412 U.S. 546, 93 S.Ct. 2303, 37 L.Ed.2d 163 (1973), that the power of Congress to paotect writings by granting copyrights was not exclusive and that the states were not

forbidden to encourage and protect the writings of those within their borders, to intellectual property in inventions, i.e., trade secrets. *Kewanee* held that "[s]tates may hold diverse viewpoints in protecting intellectual property relating to invention as they do in protecting the intellectual property relating to the subject matter of copyrigh. The only limitation on the States is that in regulating the area of patents and copyrights they do not conflict with the operation of the laws in this area passed by Congress . . . ." —— U.S. at ——, 94 S.Ct. at 1885. Thus, the states may protect trade secrets, and we perceive no violation of the fifth amendment in federal forebearance to permit that power to be exercised.

Finally, plaintiff argues that neither Congress nor the Commissioner may validly assist patent applicants to preserve their state created trade secret rights in unpatentable ideas because of the Patent Clause of the Constitution. Again, the argument is that the states may not create trade secret rights in unpatentable ideas and that therefore Congress and the Commissioner may not assist private persons to maintain any such rights. Again the answer is *Kewanee*. The only possible constitutional bar to such state action stems, not from the Patent Clause, but from the Supermacy Clause. Any preemption of state authority is to be looked for, not in the constitutional grant of the Patent Power to Congress, but in the exercise of that power; and *Kewanee* holds that Title 35 does not of itself preempt state regulation and protection.

[9] Since plaintiff's constitutional arguments are so insubstantial, we are satisfied that the district court had power, as a single judge, to decide her constitutional claims.

Affirmed.

APPENDIX B

UNITED STATES DISTRICT COURT
E. D. VIRGINIA
ALEXANDRIA DIVISION

Civ. A. No. 521-70-A

April 26, 1973

MARY HELEN SEARS,
Plaintiff,

v.

ROBERT GOTTSCHALK, Commissioner of Patents,
Defendant.

MEMORANDUM OPINION AND ORDER

OREN R. LEWIS, District Judge.

The plaintiff, a practicing patent attorney, seeks an order under the Freedom of Information Act, 5 U.S.C. § 552, requiring the Commissioner of Patents to produce and make available all existing abandoned United States patent applications.

The facts are not in dispute—The plaintiff wants to examine and copy all documents in the files of all existing abandoned patent applications and the Commissioner refuses to make them available.

He says the requested documents are not sufficiently identified within the meaning of the Act—but if so, they are exempted from production by one or more of the specific exemptions set forth therein.

The Court, upon the record here made, is of the opinion that the Commissioner was justified on both grounds in denying the request.

[1] The Freedom of Information Act, 5 U.S.C. § 552, does not require the Government to make all of its agency records available to the public.

Section 552(a)(1) lists the agency records that must be published in the Federal Register for the guidance of the public.

Section 552(a)(2) lists the agenvy records that must be made available for public inspection and copying.

Section 552(a)(3) makes available on request identifiable records made in accordance with published rules, and so forth.

Section 552(b)—"This section [552] does not apply to matters [among others] that are—

> "(3) specifically exempted from disclosure by statute;
>
> "(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
>
> . . . ."

Section 552(c) says that this section [552] does not authorize withholding of inspection or liimt the availability of records to the public except as specifically stated in this section.

[2] The 552(a)(3) requirement that the request for disclosure specify identifiable records calls for a reasonable description enabling the government employee to locate the requested records—Se Bristol-Myers v. FTC, 138 U.S.AppD.C. 22, 424 F.2d 935 (1970).

[3, 4] Identification by class—here all abandoned patent applications—is not enough. "All" is not sufficiently descriptive. It was so held in Irons v. Schuyler, D.C. Cir., 465 F.2d 608, cert. den. 409 U.S. 1076, 93 S.Ct. 682, 34 L.Ed.2d 664 (1972)—and this Court so holds.

In that case Edward S. Irons, an associate of the plaintiff, requested all unpublished manuscript decisions of the Patent Office. The Court of Appeals for the District of Columbia said the request did not meet the standards set forth in Bristol-Myers, supra—

> ". . . [T]hose desiring information not made available to the public under the agency's published rules . . . must request the desired records with wreater descriptive concentration."

All abandoned patent application files include those which contain certain trade secrets and commercial or financial information obtained from a person and privileged or confidential—information expressly exempted from the provisions of the Act by § 552(b)(4).

There are more than six hundred thousand abandoned patent application files—Some are in the Patent Office—some are in the Federal Records Center—and some are on microfilm. At least twenty-four persent contain trade secrets which the applicants desire to maintain in secrecy —All which have been on file for twenty years, with the exception of those mentioned in other applications, are destroyed.

[5] The Commissioner is not required to excise the exempted material from the abandoned files as the plaintiff suggests.

The 552(b)(4) exemption is but another sound reason for requiring a more reasonable description of the documents sought—A request for alli s too broad to determine whether any particular abandoned patent application file or files can or should be made available.

The most important question for determination here, however, is whether § 552(b)(3) of the Freedom of Information Act exempts abandoned patent applications.

That section exempts from disclosure agency records that are exempted by statute.

The Freedom of Information Act was adopted in 1966 —The House Resolution, in discussing the (b)(3) proposed exemption, noted that there were nearly a hundred statutes or parts of statutes which restricted public access to specific government records—These statutes were not to be modified.

Tile 35 U.S.C. § 122,[1] which restricts public access to applications for patents, was adopted in 1952—Clearly this was one of the statutes that Congress did not intend to modify.

The Supreme Court of the United States in the recent Lear case—Lear, Inc. v. Adkins, 395 U.S. 653, 671, 89 S.Ct. 1902, 1911, 23 L.Ed.2d 610 (1969)—some three years after the Freedom of Information Act was adopted —stated that "During the time the inventor is seeking patent protection, the governing federal statute requires the Patent Office to hold an inventor's patent application in confidence," citing 35 U.S.C. § 122.

The Supreme Court further pointed out that the present regulations issued by the Patent Office [Rule 14(a)] unequivocally guaranteed that "pending patent applications are preserved in secrecy . . . unless it shall be necessary to the proper conduct of business before the Office" to divulge their contents.

This Court, in Misegades & Douglas v. Schuyler, 328 F.Supp. 619 (1971), held that § 552 of Title 5, U.S.C., did not open pending patent application files to public inspection upon request.

[6] We now hold that abandoned patent applications are likewise preserved in secrecy.

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[1] 35 U.S.C. § 122. Confidential status of applications. Applications for patents shall be kept in confidence by the Patent Office and no information concerning the same given without authority of the applicant or owner unless necessar to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner.

Title 35 U.S.C. § 122 makes no distinction between pending and abandoned patent applications. All patent applications are either pending or abandoned [2]—Applications which mature into a patent are open to the public from the date of patenting—Applications that have been abandoned remain in the Patent Office files—Some may mature into a patent upon the payment of the requisite fees—Some may be the basis for a subsequent application concerning the saem subject matter—All may be revived.

The Patent Office has had a rule of secrecy as to patent applications for generations—In December of 1879 Rule 171 read, in pertinent part:

> "Certified copies of the files in cases of rejected and abandoned applications may be furnished to applicants or to other persons when specifically ordered, but no inspection of such files, except by the applicants or their duly authorized attorneys, will be permitted."

Succeeding Patent Office rules have consistently provided that abandoned applications should be held in confidence and access should be granted only by order of the Commissioner or because of the existence of special circumstances.

The pertinent portion of Rule 14 (promulgated in 1949) reads as follows:

> 14. Applications preserved in secrecy.
>
> (a) Pending applications are preserved in secrecy. No information will be given . . . . (b) Abandoned applications are likewise not open to public inspection, except . . . .

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[2] Pending applications are those which are before the Patent Examiner for consideration as to whether they satisfy the requirements of law for issuance as patents—Abandoned applications are those no longer before the Examiner for consideration on the merits.

In enacting 35 U.S.C. § 122, Congress intended to codify the long standing practice of holding in confidence all patent applications—both pending and abandoned.

Patent applications, pending and abandoned, are exempt from the provisions of the Freedom of Information Act, 5 U.S.C. § 552.

[7] The plaintiff's contention that all abandoned patent applications are needed by the Patent Office and the Courts in the discharge of their duty to limit patents to subject mattersatisfying the constitutional standards for inventions lacks support in law and fact. Clearly all abandoned patent applications are not needed for this purpose—Those that may be needed can be had by proper petition addressed to the Commissioner of Patents or to the courts.

[8] The plaintiff's prayer that the Patent Office be ordered to consider all abandoned patent applications in examining pending applications is denied.

The Patent Office has not been citing forfeited and aabndoned applications as references since December of 1879—The Supreme Court of the United States took note of this fact in Milburn Co. v. Davis, etc. Co., 270 U.S. 390, 46 S.Ct. 324, 70 L.Ed 651 (1926), stating ". . . and we are not disposed to disturb it [Rule 171]."

[9] The Commissioner of Patents has the duty of promulgating rules and procedures for the examination of applications for patents—Not the Court.

[10] The request that this Court declare 37 C.F.R. 1.14(b) and 37 C.F.R. 1.108 unconstitutional is denied.

Both sides have asked that sanctions be assessed against the other for failure to timely comply with the orders of this Court—to produce documents—to fully answer interrogatories—and to do what the other wanted in the

manner and form the other wanted it done. Numerous unnecessary hearings were required to resolve these petty diffrences—Both were rather sharply reprimanded in open court of their actions in the premises. Nothing further would be accomplished by assessing monetary sanctions against the participating attorneys—Therefore the motions for further sanctions are denied.

Nothing remaining to be done, the case should be dismissed at the cost of the plaintiff, and

It is so ordered.

APPENDIX C

UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

No. 73-1699

[Filed Sep. 17, 1974. William K. Slate, II, Clerk]

MARY HELEN SEARS,
Appellant,

v.

ROBERT GOTTSCHALK, Commissioner of Patents,
Appellee.

ORDER

The petition for rehearing filed by plaintiff Mary Helen Sears, and the supplemental letter dated September 8, 1974, of counsel thereto, having been read and considered; it is, with the concurrence of Judge Butzner and Judge Field, ORDERED that said petition be, and it is hereby, denied.

For the Court:

/s/ [Illegible]
United States Circuit Judge

A True Copy, Teste:

William K. Slate, II, Clerk

By /s/ Faye O. Chlorie
Faye O. Chlorie
Deputy Clerk

APPENDIX D

Constitutional Provisions, Statutes and Patent Office Rules Involved

Constitutional Provisions

Art. I, § 8, Cl. 8 (Patent Clause)

> The Congress shall have power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

Art. VI, § 2 (Supremacy Clause)

> This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constition or Laws of any State to the Contrary notwithstanding.

Fifth Amendment

> "No person shall be . . . deprived of life, liberty, or property, without due process of law; . . ." .

Statutes

5 U.S.C. § 552(a)(3)

> Public information; agency rules, opinions, orders, records, and proceedings
>
> (a) Each agency shall make available to the public information as follows:
>
> * * * *
>
> (3) Except with respect to the records made available under paragraphs (1) and (2) of this sub-

section, each agency, on request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute, and procedure to be followed, shall make the records promptly available to any person. On complaint, the district court of the United States in in the district in which the complainant resides, or has his principle place of business, or in which the agency records are situated, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall determine the matter de novo and the burden is on the agency to sustain its action. In the event of noncompliance with the order of the court, the district court may punish for contempt the responsibile employee, and in the case of a uniformed service, the responsible member. Except as to causes the court considers of greater importance, proceedings before the district court, as authorized by this paragraph, take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

35 U.S.C. § 6

Duties of Commissioner

The Commissioner, under the direction of the Secretary of Commerce, shall superintend or perform all duties required by law respecting the granting and issuing of patents and the registration of trademarks; and he shall have charge of property belonging to the Patent Office. He may, subject to the approval of the Secretary of Commerce, establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office.

35 U.S.C. § 102(a) and (b)

Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless—

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

35 U.S.C. § 103

Conditions for patentability; non-obvious subject matter

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

35 U.S.C. § 131

Examination of application

The Commissioner shall cause an examination to be made of the application and the alleged new invention; and if on such examination it appears that the applicant is entitled to a patent under the law, the Commissioner shall issue a patent therefor.

35 U.S.C. § 282

Presumption of validity; defenses

A patent shall be presumed valid. Each claim of a patent (whether in independent or dependent form) shall be presumed valid independently of the validity of other claims; dependent claims shall be presumed valid even though dependent upon an invalid claim. The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting it.

The following shall be defenses in any action involving the validity of infringement of a patent and shall be pleaded:

(1) Noninfringement, absence of liability for infringement, or unenforceability,

(2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability.

(3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of sections 112 or 251 of this title,

(4) Any other fact or act made a defense by this title.

In actions involving the valdity or infringement of a patent the party asserting invalidity or noninfringement shall give notice in the pleadings or otherwise in writing to the adverse party at least thirty days before the trial, of the country, number, date, and name of the patentee of any patent, the title, date, and page numbers of any publication to be relied upon as anticipation of the patent in suit or, except in actions in the United States Court of Claims, as showing the state of the art, and the name and address of any person who may be relied upon as the prior inventor or as having prior knowledge of or as having previously used or offered for sale

the invention of the patent in suit. In the absence of such notice proof of the said matters may not be made at the trial except on such terms as the court requires. (Amended July 24, 1965, Public Law 89-83, sec. 10, 79 Stat. 261.)

Patent Office Rules

37 C.F.R. 1.14(a)(b)

Patent applications preserved in secrecy. (a) Except as provided in rule 11(b) pending patent applications are preserved in secrecy. No information will be given by the Office respecting the filing by any particular person of an application for a patent, thee pendency of any particular case before it, or the subject matter of any particular application, nor will access be given to or copies furnished of any pending application or papers relating thereto, without written authority in that particular application from the applicant or his assignee or attorney or agent of record, unless it shall be necessary to the proper conduct of business before the Office or as provided by these rules.

(b) Except as provided in rule 11(b) abandoned application referred to in a U.S. patent is abandoned and is available, it may be inspected or copies obtained by any person on written request, without notice to the applicant. Abandoned applications may be destroyed after 20 years from their filing date, except those to which particular attention has been called and which have been marked for preservation. Abandoned applications will not be returned.

37 C.F.R. 1.108

Abandoned applications not cited. Abandoned applications as such will not be cited as references except those which have become abandoned as a result of the filing and acceptance of a request under rule 139.

APPENDIX E

Notice: This opinion is subject to formal revision before publication in the Federal Reporter or U.S. App. D.C. Reports. Users are requested to notify the Clerk of any formal errors in order that corrections may be made before the bound volumes go to press.

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 73-1978

TAX ANALYSTS AND ADVOCATES, THOMAS F. FIELD, ET AL

v.

INTERNAL REVENUE SERVICE, ET AL, APPELLANTS

Appeal from the United States District Court for the District of Columbia

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Decided August 19, 1974

Before: WRIGHT and MACKINNON, *Circuit Judges* and DAVIES,* *United States Senior District Judge* for the District of North Dakota.

Opinion for the Court filed by *Senior District Judge* DAVIES.

DAVIES, *Senior United States District Judge*: In an action commenced pursuant to the Freedom of Information Act, 5 U.S.C. § 552, Tax Analysts and Advocates and its Executive Director sought to compel the Internal Revenue Service, its Commissioner and its Assistant Com-

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* Sitting by designation pursuant to 28 U.S.C. § 294(d).

missioner (Technical) to disclose letter rulings and technical advice memoranda, together with communications and indices relating thereto, issued to producers of minerals other than oil and gas between July 26, 1968, and October 1, 1971, in which determinations were made of the processes to be treated as "mining" under Section 613 (c) of the Internal Revenue Code, 26 U.S.C. § 613(c), when computing gross income from property for percentage depletion purposes.

The District Court rejected the defendants' (appellants') contentions that the Freedom of Information Act (Act) did not apply to letter rulings or technical advice memoranda or that, if it did, specific exemptions precluded disclosure of the material sought. The District Court also refused appellants' request that it exercise the discretion inherent in its equitable powers and refuse to order disclosure. The Court ordered all materials sought, consisting of two unpublished letter rulings, eight technical advice memoranda, communications to and from the taxpayer or his representative relating thereto, and six index-digest cards, be made available:

> "* * * intact and without delection, except for those items which, within said thirty (30) days period, Defendants submit to the Court, sealed and intact, without delection but with any proposed deletions indicated, for in camera review as to whether pro-Freedom of Information Act, together with a deposed deletion of information is justified under the tailed written explanation of the justification for each deletion, * * *"

and also:

> "* * * within thirty (30) days of date all items in the Internal Revenue Service's index-digest reference card file sought by Plaintiffs herein, and all memoranda of conferences and telephone calls relating to the letter rulings and technical advice memoranda involved herein, unless within said thirty (30)

day period those items are submitted to the Court for in camera review as to whether they may be properly withheld as internal memoranda within the meaning of exemption 5, 5 U.S.C. § 552(b)(5), of the Freedom of Information Act." *Tax Analysts and Advocates* v. *Internal Revenue Serv.*, 362 F.Supp. 1298 (D.D.C. 1973).

A stay was granted pending appeal in which appellants present only two issues: (1) whether the materials sought were, under § 552(b)(3) of the Act, "specifically exempted from disclosure by statute"; and (2) whether the District Court erred in holding that it did not have, under the Act, equitable powers to refuse to order disclosure.

As described by the District Court:

"A letter ruling is a written statement issued to a taxpayer by the Office of Assistant Commissioner (Technical) in which interpretations of the tax laws are made and applied to a specific set of facts. The function of a letter ruling, usually sought by the taxpayer in advance of contemplated transaction, is to advise the taxpayer regarding the tax treatment that he can expect from IRS in the circumstances specified in the ruling. The letter rulings are not publicly disclosed by the IRS and it is clearly specified that no taxpayer is entitled to rely upon an unpublished private ruling not issued specifically to him. The taxpayer who does receive such a ruling is advised to file it along with his tax return.

"A technical device (sic) memoranda (T.A. memo) is comparable to a letter ruling, except that it is not issued directly to a taxpayer, but to a District Director of the IRS in response to the director's request for instructions as to the treatment of a specific set of facts relating to a named taxpayer. The director's question may relate to audit examination of a taxpayer's return or consideration of a taxpay-

er's claim for refund or credit. The substantive portion of the memorandum if (sic) given to the taxpayer.

"All letter rulings and technical advice memoranda are divided into two categories by the IRS for filing purposes. Many rulings and memos are considered of no significant 'reference' value. These are placed in a historical file, alphabetically by taxpayer's name, and maintained for a period of four years. No separate index is prepared for materials in the historical file. The other letter rulings and t.a. memos are deemed to have a continuing 'reference' value for internal IRS purposes, and these are placed in the IRS' permanent reference file, along with Court decisions, published Revenue Rulings, and other materials deemed to have a continiung reference value. The reference file is organized by code section and an 'index-digest' card file is maintained, giving citations to the main 'reference' file and usually summarizing the contents of the reference file." (Footnotes omitted.) *Tax Analysts and Advocates* v. *Internal Revenue Serv.*, *supra*, at 1301-1302.

First, it is to be noted that appellants do not contest the District Court's holding that letter rulings and technical advice memoranda are "statements of policy and interpretations which have been adopted by the agency and not published in the Federal Register", Section (a)(2)(B), and must be made available for public inspection and copying if not exempt under subsection (b)(3) of the Act.

"It is well established that information which either creates or provides a way of determining the extent of substantive rights and liabilities constitutes a form of law that cannot be withheld from the public. *See* Sterling Drug, Inc. v. FTC, 146 U.S.App.D.C. 237, 450 F.2d 698 (1971); American Mail Line, Ltd. v. Gulick, 133 U.S.App.D.C. 382, 411 F.2d 696

(1968). The FOIA by its explicit terms condemns 'secret law' and requires that it be made public:

> (2) Each agency, in accordance with published rules, shall make available for public inspection and copying—
>
> (A) final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;
>
> (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register . . ."

Cuneo v. Schlesinger, —— U.S.App.D.C. ——, 484 F.2d 1086 (1973), footnote 13 at p. 1091.

Relying on 26 U.S.C. § 6103(a)(1), which provides

> "Returns made with respect to taxes . . . upon which the tax has been determined by the Secretary or his delegate shall constitute public records; but, except as hereinafter provided . . . they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary or his delegate and approved by the President"

and on 26 U.S.C. § 7213(a)(1) which makes it unlawful

> ". . . to divulge or to make known . . . to any person the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law any income return, or any part thereof or source of income, profits, losses, or expenditures appearing in any income return; . . ."

appellants contend that letter rulings and technical advice memoranda are "specifically exempted from disclosure by statute."

It was appellants' burden to sustain their claim that the materials sought came within the meaning of the statutes. Mere labeling of the letter rulings and tax advice memoranda as returns is not sufficient. It is the District Court's function to determine whether appellants' classification was proper.

> "This court has continued to adhere to the position that exemptions of the Information Act are to be narrowly construed. Vaughn v. Rosen, 484 F.2d 820 (D.C.Cir. 1973), *cert. denied*, —— U.S. —— (1974); *Cuneo* v. *Schlesinger*, 484 F.2d 1086 (D.C. Cir. 1973), *cert. denied*, —— U.S. —— (1974). The ordinary meaning of the language of Exemption (3) is that the statute therein referred to must itself specify the documents or categories of documents it authorizes to be withheld from public scrutiny. * * * "In *EPA* v. *Mink*, 410 U.S. 73 (1973), the Supreme Court considered a specific exemption by statute, Exemption (1) of the Information Act itself, which exempts matters 'specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy.' 5 U.S.C. § 552(b)(1). The documents sought to be disclosed had been classified as secret pursuant to Executive Order 10501. Exemption (1) was construed to be a specific reference by Congress itself to a definite class of documents which were not to be disclosed. 410 U.S. at 83. Their disclosure accordingly was not required." (Footnote omitted.) *Robertson* v. *Butterfield*, No. 72-2186 (D.C.Cir., May 9, 1974), 42 U.S.L.W. 2625.

The two statutes relied upon by appellants provide for protection of the privacy of taxpayers filing tax returns and are designed to prevent disclosure of information contained either in the returns or in documents filed

in conjunction therewith which enable the Secretary or his delegates to determine tax due the United States. It is not difficult, therefore, to conclude that letter rulings are not encompassed in either statute. Letter ruling are issued at the request of taxpayers seeking advice as to the tax consequences of specific transactions. This information provides guidance in planning and conducting their business affairs and, if the transaction is consumated, aids in preparation of their tax returns. The fact that taxpayers may elect to follow the Internal Revenue Service's recommendations that letter rulings be attached to returns containing information about the transactions referred to in the letter rulings does not *deprive a letter ruling of its separate status as a "final opinion" and "interpretation" nor does it make the attachment part of a return.*[1] Attachment is to alert the

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[1] The IRS also urges that Treas. Reg. § 301.6103(a)-1(a)(3) (Feb. 8, 1972), specifically exempts letter rulings from disclosure under the Act:

> (3) *Terms used*—(i) *Return.* For purposes of section 6103 (a), the term "return" includes—
>
> (a) Information returns, schedules, lists, and other written statements filed by or on behalf of the taxpayer with the Internal Revenue Service which are designed to be supplemental to or become a part of the return, and
>
> (b) Other records, reports, information received orally or in writing, factual data, documents, papers, abstracts, memoranda, or evidence taken, or any portion thereof, relating to the items included under (a) of this subdivsion.

Clearly, letter rulings are not encompassed by (a) since they are issued at the request of the taxpayer and their attachment as a matter of convenience to the return does not make them "supplemental to or . . . a part of the return." Where the transaction proposed in the letter ruling is not executed, the letter ruling would not be comprehended by (b) since it would not "relate" to a filed return. However, letter rulings involving proposed transaction subsequently exectued would fall within the literal terms of (b). Nonetheless, we think that letter rulings generated by the voluntary request of a taxpayer for tax advice from the IRS are beyond the scope of that which the Congress sought to protect under section

District Director of the Internal Revenue Service that a letter ruling had been issued. The appropriate District Director is always sent a copy at the time a letter ruling is issued to any taxpayer required to file a return in his district.

Conversely, technical advice memoranda are prepared in response to an inquiry by a District Director as to the treatment of a specific set of facts relating to a tax return filed by a named taxpayer involving either an audit or in connection with the taxpayer's claim for refund or credit of taxes. Technical advice memoranda deal directly with information contained in "returns made with respect to taxes" and are a part of the process by which tax determinations are made and, thus, "specifically exempted from disclosure by statute."

We emphasize that there is still available to appellants, through *in camera* production of all documents other than the technical advice memoranda relating thereto, exemption under § 552(b)(4) to prevent disclosure of "commercial or financial information obtained from a person and privileged or confidential." [2]

Lastly, appellants ask us to reconsider our previous holding that a District Court has no jurisdiction under the Act to deny disclosure, apart from the exemptions contained in the Act, on equitable grounds. *Soucie v. David*, 145 U.S.App.D.C. 144, 448 F.2d 1067 (1971); *Getman v. NLRB*, 146 U.S.App.D.C. 209, 450 F.2d 670 (1971); accord, *Wellford v. Hardin*, 444 F.2d 21 (4th

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6103, that is, "returns" filed under compulsion of law which contain information necessary to determine federal tax liability. Accordingly, the regulation cannot immunize letter rulings from disclosure under the Freedom of Information Act.

[2] Our recent decision in *National Parks and Conservation Assoc. v. Rogers C. B. Morton, Secretary, Department of the Interior, et al.*, No. 73-1033 (D.C.Cir., April 24, 1974), may be of aid to the District Court in this respect.

Cir. 1971); *Robles v. Environmental Protection Agency*, 484 F.2d 843 (4th Cir. 1973); *Tennessean Newspapers, Inc. v. Federal Housing Admin.*, 464 F.2d 657 (6th Cir. 1972); *Hawkes v. Internal Revenue Service*, 467 F.2d 787, n. 6 at p. 792 (6th Cir. 1972). See also *Bannercraft Clothing Co. v. Renegotiation Board*, 151 U.S.App. D.C. 174, 466 F.2d 345, 353 (1972) (discussing equitable principles) reversed on other grounds, 42 U.S.L.W. 4204.

However, there is nothing in the "factors present in this case which were absent in the other Freedom of Information Act cases considered by the Court" which would compel us to change our previous opinion.

Modified in part and remanded to the District Court for further proceedings not inconsistent with this opinion.

In the Supreme Court of the United States

OCTOBER TERM, 1974

No. 74-584

MARY HELEN SEARS, PETITIONER

v.

C. MARSHALL DANN, COMMISSIONER OF PATENTS

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

MEMORANDUM FOR THE RESPONDENT IN OPPOSITION

Pursuant to the Freedom of Information (FOI) Act, 5 U.S.C. 552, petitioner requested disclosure by the Patent Office of all of the approximately 600,000 abandoned United States patent applications. The request was denied on the ground that the material was "specifically exempted from disclosure by statute," within the meaning of exemption 3 of the FOI Act, 5 U.S.C. 552(b)(3), because 35 U.S.C. 122 requires that "[a]pplications for patents shall be kept in confidence."[1]

[1] 35 U.S.C. 122 provides:

> Applications for patents shall be kept in confidence by the Patent Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner.

Exemption 3 of the FOI Act, 5 U.S.C. 552(b)(3), provides:

> (b) This section does not apply to matters that are—
>
> * * * * *
>
> (3) specifically exempted from disclosure by statute;
>
> * * * * *

Petitioner thereupon brought this suit under the FOI Act seeking disclosure of the abandoned patent applications and, if public access to the applications were deemed barred by 35 U.S.C. 122, a declaration that Section 122, as well as 37 C.F.R. 1.14(b) and 1.108, were unconstitutional.[2] Petitioner also sought a court order directing the Commissioner of Patents to consider abandoned United States patent applications in the examination of pending applications. The district court denied relief, holding (1) that abandoned patent applications were exempt from disclosure by virtue of 35 U.S.C. 122 and exemption 3 and (2) that "[t]he Patent Office has not been citing forfeited and abandoned applications as references since December of 1879 * * * 'and we are not disposed to disturb * * * [the rule]' " (Pet. App. B, pp. 22a-25a).[3]

On petitioner's appeal, the court of appeals affirmed on the ground that abandoned patent applications were protected from disclosure by exemption 3 (Pet. App. A, pp. 6a-16a). The court held that the Commissioner's authority under Section 122 to permit disclosure in "special circumstances" did not except that section from exemption 3 (Pet. App. A, pp. 6a-8a).[4] The court ruled, further, that

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[2]The district court denied a request by petitioner to convene a three-judge court.

[3]The district court also held that the documents contained trade secrets and confidential commercial and financial information and were exempt from disclosure pursuant to exemption 4 (Pet. App. B, p. 22a). The court ruled, further, that the request for disclosure of 600,000 abandoned patent applications was not a request for "identifiable records" as required by 5 U.S.C. 552(a)(3) (Pet. App. B, pp. 21a-22a).

[4]The court, in reliance upon the legislative history of Section 122, ruled that it requires confidential treatment for both pending and abandoned applications (Pet. App. A, pp. 11a-16a).

Section 122, and 37 C.F.R. 1.14(b) and 1.108 are not unconstitutional, stating that "plaintiff's constitutional contentions are lacking in merit, and indeed are so insubstantial that it was unnecessary to convene a three-judge court pursuant to 28 U.S.C. §2282 to reject them" (Pet. App. A, p. 16a).[5]

1. This Court, on December 16, 1974, granted the petition for a writ of certiorari in *Butterfield v. Robertson,* No. 74-450, to review the question whether exemption 3, which exempts material that is "specifically exempted from disclosure by statute," 5 U.S.C. 552(b)(3), covers "all material with respect to which Congress by statute has provided for nondisclosure upon various terms, including statutes that give government officials discretion to decide whether to disclose" (Pet. No. 74-450, p. 2). Contrary to petitioner's assertion (Pet., pp. 18-21), review of the instant case will not aid in the decision of that question.

The government contended in its petition in *Robertson* that Congress intended by exemption 3 to preserve all nondisclosure statutes, regardless of their terms, which specifically provide for nondisclosure. As we pointed out in our reply memorandum in *Robertson,* "the issue presented in our petition broadly involves the scope of exemption 3 itself and not merely its application to the particular confidentiality statute involved in this case" (p. 1). Since the focus of *Robertson* is on the meaning of exemption 3 generally, rather than the specific nondisclosure statute involved, review of an additional case involving a different nondisclosure statute will not assist this Court in its determination of the issue in *Robertson.*

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[5]The court of appeals held that petitioner had requested "identifiable records," but found it unnecessary to reach the additional rulings of the district court relating to exemption 4 (see n. 3, *supra,* p. 2).

Moreover, 35 U.S.C. 122 is within the scope of exemption 3, even under the court of appeals' narrow construction of that exemption in *Robertson* v. *Butterfield,* 498 F.2d 1031. In *Robertson,* the court of appeals stated that "[t]he ordinary meaning of the language of Exemption (3) is that the statute therein referred to must itself specify the documents or categories of documents" (498 F.2d at 1032). Since Section 122 refers to a specific category of documents, namely, "applications for patents," the District of Columbia Circuit apparently would conclude that the section comes within exemption 3.[6]

Although there is conflict among the circuits over whether 49 U.S.C. 1504 and 42 U.S.C. 1306(a) are within the scope of exemption 3 (see Pet. No. 74-450, pp. 16-17; Reply Memo, No. 74-450, p. 2), nothing in the decisions of the various courts of appeals suggests that any of them would reach a result different than that reached by the Fourth Circuit Court of Appeals in this case. Since the decision of the court of appeals here is correct under even the most restrictive reading of exemption 3, further review by this Court of the applicability of the exemption here is not warranted.

2. Petitioner's other questions presented, in essence, ask this Court to declare that the Patent Office must consider abandoned patent applications in its examination of pending applications. This case, however, involves only a request under the FOI Act for abandoned patent applications and does not present in a concrete factual setting, or a true adversary context, the issue whether the Patent Office must consider abandoned patent applications during its patent examinations. The declaration which the petitioner

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[6]The contention of petitioner that the category of "applications for patents" in Section 122 is as specific as the class of "any * * * information obtained by the * * * [Federal Aviation] Administrator," 49 U.S.C. 1504, is unsound on its face (Pet., p. 21, n. 31).

seeks, therefore, would constitute an advisory opinion, which the courts are without power to issue.[7] *United States* v. *Richardson*, No. 72-885, decided June 25, 1974 (slip op., pp. 4-5).

It is therefore respectfully submitted that the petition for a writ of certiorari should be denied.

ROBERT H. BORK,
Solicitor General.

DECEMBER 1974.

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[7]Petitioner contends that abandoned applications are "necessary to carry out the provisions" of 35 U.S.C. 102 and 103 and thus are not within the purview of 35 U.S.C. 122. The legislative history set forth in the court of appeals' opinion (Pet. App. A, pp. 11a-15a), however, shows that Congress intended Section 122 to include abandoned patent applications. See also *Kewanee Oil Co.* v. *Bicron Corp.*, 416 U.S. 470, 485.

The court of appeals properly rejected as insubstantial petitioner's assertion that the Patent Clause of the Constitution, Art, I, §8, Cl. 8, requires the consideration by the Patent Office of abandoned applications in the examination of pending applications (Pet. App. A, pp. 16a-18a).

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No. 74-584

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In the Supreme Court of the United States

OCTOBER TERM, 1974

MARY HELEN SEARS,
Petitioner,

v.

C. MARSHALL DANN, COMMISSIONER OF PATENTS

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit

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REPLY MEMORANDUM FOR PETITIONER

EDWARD S. IRONS
1801 K Street, N. W.
Washington, D. C.
Attorney for Petitioner

WILSON - EPES PRINTING CO., INC. - RE 7-6002 - WASHINGTON, D. C. 20001

In the Supreme Court of the United States

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MARY HELEN SEARS,
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C. MARSHALL DANN, COMMISSIONER OF PATENTS

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit

---

REPLY MEMORANDUM IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

Respondent has made no attempt to demonstrate that any of the reasons which warranted the grant of review in No. 74-450 is inapplicable to this case. Respondent concedes that 35 U.S.C. 122, which the court below has held to be embraced by exemption 3, is one of the "statutes that give government officials discretion to decide whether to disclose" adverted to in terms by the single question in No. 74-450 (Question 1 on this petition).[1]

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[1] See pages 1-7, numbered pars. (1), (2), (3), (6) and (7) of the pending "Petitioner's Motion for Summary Grant of Certiorari."

In its Reply Memorandum in No. 74-450 the government, responding to a suggestion that the case "only presents a question as

As predicted by petitioner's pending "motion" (p. 2) respondent, estopped from plausible argument germane to whether the writ should issue, prematurely contends, on the merits, that the decision below "is correct" (Opp. 4). Since in No. 74-450 review of the identical question was granted to permit a decision broadly definitive of exemption 3's application to "nearly 100 statutes" including § 122, this case should be considered on its merits concurrently with 74-450.[2]

Respondent's contentions, moreover, are demonstrably unsound.

Contrary to Opp. 4, the confidence provisions of § 122 are **not** restricted to "applications for patents". The

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to the applicability of section 1104 [49 U.S.C. 1104] to exemption 3" urged

> "But the *issue* presented in our petition *broadly* involves the scope of exemption 3 itself and not merely the particular confidentiality statute involved in this case.
>
> The question we are asking the Court to decide is whether exemption 3 applies to all specific nondisclosure statutes . . . If our view of exemption 3 is sustained . . . it will resolve the issue of its application to nearly 100 statutes. . . ." *including* specifically § 122. (Pet. in No. 74-450 p. 10, n.7).

Inconsistently, the government now asserts the "review" of this case, holding that § 122 is included within the secope of exemption 3, "will not assist this Court in its determination of the issue in Robertson" (Opp. 3) and implies that review should be denied because the "conflict among the circuits" is only as to "whether 49 U.S.C. 1504 and 42 U.S.C. 1306(a) are within the scope of exemption 3 (see Pet. No. 74-450, pp. 16-17); . . ." (Opp. 4).

But at page 17 of the petition in No. 74-450 the decision in *this Sears* case (Pet. in No. 74-450, App. E, pp. 23a-42a) is cited as evidencing the "uncertainty and confusion in the circuits", warranting review here.

[2] Petitioner stands ready to file a brief on the merits within 30 days of January 13, 1975 if the petition should be granted on that date, or within such shorter time as the Court may direct, so as to insure concurrent hearing with *Robertson* during the Spring of 1975.

statute provides broadly that "*no* information concerning the same" "shall . . . be given . . . " and hence blankets virtually the entirety of the Patent Office's documents.[3]

It accordingly cannot be fairly assumed that "the District of Columbia circuit would conclude" that 35 U.S.C. 122 "comes within exemption 3" (Opp. 4).

The conflict which in *fact* exists with the District of Columbia Circuit's rulings in *Robertson* and *Tax Analysts and Associates et al.* v. *Internal Revenue Service*, No. 73-1978, August 19, 1974 (Pet. App. E, pp. 33a-41a) is demonstrated at Pet. 20.

Nor is it fair to suggest that "the decision of the court of appeals here is correct under even the most restrictive reading of exemption 3" (Opp. 4).

The flat conflict with the Third and Fifth Circuits is demonstrated at Pet. 21 where it is also shown, implicitly, that statutes *like* 35 USC 122 which contain no express directions for the exercise of administrative discretion are deemed *outside* the exemption in those courts. Respondent has not even suggested a rationale, or a construction of these Third and Fifth Circuit cases, by which harmony with the decision below could be effected.

Respondent does not dispute the demonstration in Petitioner's pending motion (pp. 6-7, par. 7) that questions 2, 3 and 4 are fairly comprised within question 1 which this Court will in any event review in No. 74-450.

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[3] When the literal scope of § 122's confidence provisions which extend to all "information concerning" patent applications is appreciated, there is no basis for distinguishing, in the context of exemption 3, 49 USC 1504's reference to "information contained in any application, report or document filed [with the FAA] . . . or information obtained by the . . . [Federal Aviation] Administrator, pursuant to the provisions of this chapter," at issue in *Robertson*. *Cf.* Opp. 4, n. 6.

Thus, question 1 seeks an explication of exemption 3's application to all "statutes [including § 122] which give government officials discretion to decide whether to disclose."

Petitioner's question 3, *quoting* from § 122, illuminates one important consideration in determining whether § 122 qualifies under exemption 3, namely, are "abandoned [patent] applications"—the documents sought below—"'necessary to carry out the provisions of any Act of Congress' including 35 U.S.C. §§ 122 and 103 and hence disqualified from secrecy by the very terms of § 122?" [4]

Questions 2 and 4, in turn, are basic to any definition of what is required by the provisions of § 102 and 103 and hence, must be resolved in answering question 3.

For these reasons, respondent's further argument (Opp. 4-5) that "petitioner's other questions presented [i.e. 2-4]"—which respondent incorrectly summarizes at Opp. 4—are, in essence, hypothetical is simply incorrect, and *United States* v. *Richardson*, No. 72-885, decided June 25, 1974 is wholly irrelevant. These very questions, moreover, were raised by the original complaint (C.A. App.

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[4] The assertion that "legislative history set forth in the court of appeals' opinion (Pet. App. A, pp. 11a-15a) . . . shows that Congress intended Section 122 to include abandoned patent applications" is misleading. In fact, the only "legislative history" in the opinion appears in a single sentence as follows: "Both the House and Senate reports state that [s]ection 122 incorporates into the title the rule of secrecy of patent applications *which has existed in the Patent Office for generations.*' (Emphasis added.) H. Report No. 1923, 82d Cong., 2d Sess. at 7 (1952); S. Report No. 1979, 82d Cong., 2d Sess. at 6 (1952); U.S. Cong. & Admin. News, p. 2400". (Pet. App. A, 11a-12a). The balance of the cited passage deals with the question of whether abandoned applications were within that "rule of secrecy"—a controverted point on which the legislative history is silent.

I, p. 13) and squarely decided in each of the courts below and hence are now ripe for review here.[5]

Respectfully submitted,

EDWARD S. IRONS
1801 K Street, N. W.
Washington, D.C. 20006
Attorney for Petitioner

January 2, 1975

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[5] As the Fourth Circuit acknowledged (Pet. App. A, 8a-10a) *Kewanee Oil Co.* v. *Bicron Corp.*, 416 U.S. 470 (1974) did not raise or decide the questions presented in this petition, even though respondent (Opp. 5, n. 7) now appears to imply that it did. See Pet. p. 16-17.

The Fourth Circuit's rejection of petitioner's constitutional claims —which it misstated even as respondent has misstated them (Opp. 5, n. 7)—as "insubstantial" must be viewed in the light of that Court's failure to apply the strict test of insubstantiality laid down by this Court in *Goosby* v. *Osser*, 409 U.S. 512 (1973) and *Hagans* v. *Lavine*, 415 U.S. 528 (1974). See Pet. 15-18, including n. 21, p. 15, last par.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1974

No. 74-584

MARY HELEN SEARS,
Petitioner,

v.

C. MARSHALL DANN, Commissioner of Patents,
Respondent.

PETITIONER'S EMERGENCY MOTION FOR IMMEDIATE DISPOSITION OF PENDING PETITION FOR WRIT OF CERTIORARI

Petitioner hereby moves the Court to take emergency action to dispose of the pending petition for writ of certiorari in this case no later than February 17, 1975, the next date on which the Court is scheduled to sit in regular session.

Grounds for this motion are that:

(1) The petition in this case raises an identical question 1 to the single question in No. 74-450 on which certiorari was granted December 16, 1974 and which will, petitioner understands, be heard this term in accordance with the Court's usual practice.

(2) This Court cannot adequately and fairly decide the common question on the basis of the facts and record in No. 74-450. Important considerations germane to the disposition of the common question which will *not*, and can*not*, be adequately presented in No. 74-450 alone include:

(a) The important patent policy questions 2, 3 and 4 in this case (Pet. 3-4), of which at least question 4 has fundamental constitutional importance, are subsumed in question 1 of the petition in *this* case, but will not be briefed in No. 74-450 where the subsumed subject matter relates solely to federal aviation law and policy;

(b) No. 74-450 will not adequately present both sides of the essential issue of whether the 5 U.S.C. 552(b)(3) provision for nondisclosure by the government of "matters specifically exempted from disclosure by statute", interpretation of which is the focus of the common question presented by the two petitions, is to be read in context with the intent and purpose of each individual statute of the "100", more or less, contended by the government to thus "specifically" exempt, rather than as a categorical generalization promulgated in furtherance of fostering overall governmental secrecy. In particular, the government has indicated its intention in No. 74-450, where it is the petitioner, to argue *only* the generalization "that Congress intended by exemption 3 to preserve all nondisclosure statutes, regardless of their terms, which specifically provide for nondisclosure" (R. Br. 3) without treating individual policy objectives of the statutes.

The "nondisclosure" statute involved in No. 74-450, Section 1104 of the Federal Aviation Act, does not afford the respondent in that case a sufficient scope of constitutional, historical, legislative or precedent background on which to brief or argue even a sampling of the many individual federal policies

that conflict with or militate against the sweep of the government's position. The statute involved in *this* case, 35 U.S.C. 122, while by no means exhaustive of the pertinent ramifications of all 100 alleged exemption statutes, *aoes* have a complex constitutional, historical and precedent background and hence serves to illustrate some of the real pitfalls in the government's simplistic approach.

(c) The underlying statute involved in No. 74-450, Section 1104 of the Federal Aviation Act, relates to withholding of information collected by the government for its own purposes and is for that reason quite different from the underlying statute in this case, 35 U.S.C. 122, which relates to withholding of information freely submitted to the government in an effort to induce the grant of a franchise enforceable against the public. Whether information induced for a governmental purpose is to be treated in the same manner under exemption 3 as information freely given to obtain a special benefit is another point not subsumed in No. 74-450 which will not be treated there, but which the Court should examine to answer fully the question common to the two petitions.

(3) Petitioner stands ready and willing, if certiorari is granted on February 17, 1975, to accept an expedited briefing schedule and to file its brief no later than March 10, 1975. Even if respondent should then insist upon a 30-day briefing period, its brief would accordingly be due by April 10, 1975. There is no reason why oral hearing of 74-450 and 74-584 could not then proceed in tandem in April 1975 before the Court's summer recess.

Petitioner further suggests that if this motion is granted, the government be directed to file its brief by March 30, 1975 to expedite such an oral hearing.

Respectfully submitted,

EDWARD S. IRONS
1801 K Street, N.W.
Washington, D.C. 20006

Attorney for Petitioner

January 29, 1975

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In the Supreme Court of the United States

OCTOBER TERM, 1974

MARY HELEN SEARS,
Petitioner,

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C. MARSHALL DANN, COMMISSIONER OF PATENTS

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit

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PETITIONERS SUPPLEMENTAL BRIEF PURSUANT TO RULE 24(5)

EDWARD S. IRONS
1801 K Street, N.W.
Washington, D. C.
Attorney for Petitioner

WILSON - EPES PRINTING CO., INC. - RE 7-6002 - WASHINGTON, D. C. 20001

In the Supreme Court of the United States

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On Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit

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PETITIONERS SUPPLEMENTAL BRIEF PURSUANT TO RULE 24(5)

Question 1 presented by this petition is the same as question 1 in No. 74-450, *Robertson* v. *Butterfield*, now *sub-judice*. Petitioner's various motions to expedite consideration of the petition and to participate in the oral argument of *Robertson* were all denied. Petitioner was relegated to the filing of a brief *amicus curiae*.

The petition in this case should be granted, regardless of the disposition of *Robertson*. Questions 2, 3 and 4 on this petition present issues of constitutional dimension not present in *Robertson*. These issues are of importance in the administration of both the patent laws and the Freedom of Information Act.

1. The statute at issue in this case is § 122 of Title 35. It provides:

> "Applications for patents shall be kept in confidence by the Patent Office . . . *unless necessary to carry out the provisions of an act of Congress. . . .*"

The underlined passage is *unique* to § 122. It is *not* found in the statute specifically before this Court in No. 74-450—or in any of the other statutes considered in their briefs by the parties in that case.

Instead, the unique provision is ignored by both parties, and for essentially the same reason—to permit § 122 to be inappropriately lumped together with a plurality of other statutes for the purpose of construing exemption 3. Significantly, both parties to No. 74-450 *include* § 122 in an artificial class of statutes said to satisfy exemption 3's requirements.

Contrary to this approach, by reason of its unique provision, § 122 is not properly included as a member of either of the artificial classes of statutes suggested by the parties to No. 74-450. Neither in any other statute containing a comparable provision. For these reasons, the decision in No. 74-450 should be carefully drawin. It cannot properly resolve the question of whether any such statute "specifically exempts" within the meaning of § 552(b)(3).

2. Any ruling in No. 74-450 which compromises the unique provisions of § 122 would be erroneous. It would also constitute a serious miscarrriage of justice.[1] It

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[1] It is doubtful that petitioner has been afforded equal access to the Court in this case. Witness the record of petitioner's repeated attempts to be heard concurrently with No. 74-450—all of which were summarily rejected.

Compare the May 28, 1974 order granting each of the petitions in No. 73-1233 and No. 73-1316 and setting those FOIA cases for oral argument in tandem. —— U.S. —— 41 L.Ed. 2d. 211.

[Footnote continued on page 3]

would leave unsettled important issues of patent law which have not been bu tshould be resolved here.

The records sought by petitioner in this case are abandoned patent applications. The court of appeals, adopting an overbroad construction of the exemption 3, held that abandoned patent applications are "specifically exempted from disclosure" by § 122. Accordingly, question 3 on this petition asks:

> "3. Are abandoned applications 'necessary to carry out the provisions of any act of Congress' including 35 U.S.C. §§ 102 and 103 and hence disqualified from secrecy by the very terms of 35 U.S.C. § 122?"

This question was not presented in No. 74-450. It is not before the Court and hence cannot properly or fairly be resolved in that case.

3. The court of appeals answered question 3 in the negative. It thereby raised—but rejected as "immaterial"—serious constitutional issues subsumed in question 4 of this petition. These issues include the fundamental question:

> "Could it possibly be constitutionally insubstantial that the Patent Office, under guise of § 122, has adopted regulations that preclude access to and foreclose the Patent Office from considering a substantial portion of the evidence germane to whether a patent should issue?" [2]

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[1] [Continued]

It is noted that an unusually high percentage of the petitions for certiorari recently granted involve the FOIA. All such granted petitions, however, appear to have been filed by the Department of Justice; none of the several petitions filed by a party *opposing* the Government having been granted.

[2] *Graham* v. *John Deere Co.*, 383 U.S. 1; and *Anderson's-Black Rock* v. *Pavement Salvage Co.*, 396 U.S. 57, emphasize that the patentability "*standard* expressed in the Constitution . . . may not be ignored." Pet. 3, n. 2.

According to the Patent Office, there are some 600,000 abandoned patent applications. Under the presumed authority of § 122, the Commissioner who is charged with "the primary responsibility for setting out unpatentable material", *Graham supra* 383 U.S. at 18, not only suppresses all of this evidence of the "level of ordinary skill in the pertinent art" *ibid*—the very yardstick by which inventions are measured for compliance with the constitutional patentability standards—but with premeditation has also imposed secrecy to disqualify it as statutory "prior art" under 35 U.S.C. §§ 102(a) and (b) and 103 on the ground that *because* of the agency's rule, the abandoned applications are not "publications" within the meaning of these statutes. Pet. 8.

The net result of this expedient agency practice is the "notorious difference between the standards as applied by the Patent Office and the courts," and the necessity "to await litigation" (where the abandoned applications may be obtained through the discovery process and used as evidence to invalidate an issued patent, see the petition, p. 23, n. 35)—and so "to debilitate the patent system". id. at 18.

The dichotomy between the Patent Office and the courts as to the evidentiary signficance of abandoned patent applications on the issue of patentability, moreover, is consequent from the agency's unique expedient interpretation of the decision in *Brown* v. *Guild*, 90 U.S. 181, 210-211—an interpretation which the federal courts have not adopted. Pet. Question 2, p. 2; pp. 22-23.

The court of appeals misstated the constitutional issues raised by petitioner. It adjudicated their merits in the guise of pronouncing them insubstantial, without being able to cite even a semblance of a "prior decision" which "inescapably renders" any of them "frivolous".[3] This ad-

[3] Any suggestion of frivolity would be in the teeth of a long line of decisions by this Court, including *Black-Rock* and *Graham, supra,*

judication was pointedly without reference to the decisions of this Court in *Hagans* v. *Levine*, 415 U.S. 528 (1974) and *Goosby* v. *Osser*, 409 U.S. 512 (1973). A request for reconsideration, stressing the appellate court's noncompliance with the rules enunciated in *Goosby* . . . and *Hagans*, was summarily denied. See the petition, pp. 16a and 19a, and the discussion of the constitutional issues at pp. 14-18 and 22-28.

This ruling by the court of appeals conflicts directly with the decisions in *Goosby* and *Hagans*, both as enunciated and as applied. *Harris County Commissioner's Court* v. *Moore*, 43 U.S.L.W. 4223, 4224, n. 6 ;*Handle* v. *Sugarman*, No. 72-5758, 43 U.S.L.W. 3450; *Crow* v. *California Department of Human Resources*, No. 73-1015, 43 U.S.L.W. 3451.

CONCLUSION

The petition in this case must be granted. The decision should be *reversed* or the judgment vacated and the case remanded with instructions to appoint a three-judge court.

EDWARD S. IRONS
1801 K Street, N.W.
Washington, D. C.
Attorney for Petitioner

June 16, 1975

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which define the constitutional strictures on the issuance of patents. It would likewise contravene the court's recognition in *Brown* v. *Guild* that abandoned applications are part of the totality of evidence germane to patentability, especially when the latter is read with *Graham*, *Black-Rock*, and other cases of like purport.